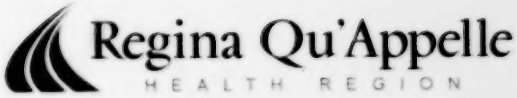

2002/2003
Annual Report

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The Regina Qu'Appelle Health Region is a teaching affiliate of the College of Medicine, University of Saskatchewan.

Letter of Transmittal

The Honourable John Nilson
Minister of Health
Room 361, Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Mr. Nilson

We are pleased to present the first annual report of our new organization, the Regina Qu'Appelle Health Region. This report for the 2002–2003 fiscal year is submitted in accordance with the requirements of *The Regional Health Services Act* and *The Tabling of Documents Act*.

The new regional structure in Saskatchewan is a natural extension of the health reform process that began in the early 1990s. The province's *Action Plan for Saskatchewan Health Care* was released in late 2001 and called for the amalgamation of 32 health districts into 12 larger health regions. These 12 regions would be better positioned to bring together the critical mass of skills needed to plan and deliver health services. They would be better able to recruit health care providers and would have the capacity to offer a full range of primary health care services. They would also be able to take on the work necessary to strengthen the care systems already in place.

These changes were welcomed by the three health districts which now form the Regina Qu'Appelle Health Region. The Pipestone, Regina, and Touchwood Qu'Appelle health districts had always cooperated strongly and now had a new organization to build. We started the task with enthusiasm, working intensively in the early months of 2002 to be ready when the new regional structure was put into place by the proclamation of *The Regional Health Services Act* on August 1st of that year. All of us were, and remain, convinced that the outcome of the merger would be a stronger, more efficient health care organization.

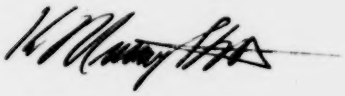
We began the fiscal year 2002-2003 as three separate health districts, and subsequently became a new region on August 1st. Our new name was approved effective November 1st, and we officially introduced the Regina Qu'Appelle Health Region to the world on November 26, 2002. Our first year of operations saw a record-long health service strike, as well as the usual pressures for faster access to high quality care. In such a challenging first year, we were pleased to operate within our available resources and to deliver on our promise of a balanced budget.

We are the largest health care delivery system in southern Saskatchewan, and one of the most integrated health delivery organizations in the country. Regina Qu'Appelle Health Region offers a full range of hospital, specialty, rehabilitation, community and public health, emergency, long-term care and home care services to meet the needs of more than 245,000 residents living in some 120 cities, towns, villages, rural municipalities and 17 First Nations communities within the Region.

Letter of Transmittal

Whether we are staff members, physicians, administrators, or those charged with governing the affairs of the Region, there is much work to be done in achieving the vision outlined in the *Action Plan*. We will succeed with the support and involvement of our many strong partners in the community and are confident as we move ahead.

Sincerely



K. Murray Knuttila
Chairperson
Regina Qu'Appelle Regional Health Authority

Dwight Nelson
President & Chief Executive Officer
Regina Qu'Appelle Health Region

103-06620/

Strategic Framework

Every successful organization has a strategic framework within which it operates. For the Regina Qu'Appelle Health Region, this framework starts with our Vision, Mission and Values, which revolve around our focus on people.

Vision

Healthy people, families and communities.

Mission

We are a provincial resource for quality health services, ranging from health promotion to specialized care, education and research. We achieve success in meeting the diverse health needs of our communities through the strength of our people, partnerships and public trust.

Values

Together we succeed through...

Respect - Honesty, trust and genuine recognition of people's contributions guide all relationships, decisions and actions.

Compassion - Our caring approach to people, families and communities.

Collaboration - Participation, involvement and responsibility in developing healthy people, families and communities.

Knowledge - The pursuit of knowledge, research and innovation guides our decisions and continuous improvement.

Stewardship - Accountability for that which is entrusted to us and the courage to do what's right.

(Note: The Region's Vision, Mission and Values document was in final draft form when this Annual Report was being prepared.)

Strategic Framework

People Philosophy

People are our passion. By putting people first we are able to achieve our Mission and fulfill our Vision through a service environment built on mutual respect, collaboration and teamwork.

Clients

The health needs of individuals, families and communities are at the heart of our service delivery. In a spirit of collaboration, we build on the unique strengths of our clients, to provide exceptional health services which facilitate optimum well-being and quality of life. We believe it is the right and responsibility of our clients to be fully informed and involved in the health services they receive.

Employees/Physicians/Volunteers

As vital partners in service delivery, a strong, healthy workforce committed to a common vision and philosophy is key to exceptional health services.

Relationships - We believe in relationships, which are built on trust and mutual respect. We value diversity as well as similarity and genuine recognition for everyone's contribution.

Recognition - We believe in continually acknowledging, fostering and recognizing the unique talents, skills and abilities of individuals and teams, celebrating accomplishments and taking pride in a job well done.

Knowledge - We believe in the continual pursuit of knowledge and learning for the benefit of our clients, personal growth and service leadership. We value teaching, mentoring and being role-models in the development of others and a spirit of giving back to the community.

Decision-making - We value involvement and the promotion of new ideas in decision-making. We believe in making effective decisions based on evidence, knowledge, standards of practice and a strong ethical foundation.

Communication - We believe in communication that is open and honest, professional and purposeful, two-way and based on mutual understanding.

Environment - We believe in a safe working environment that is health-enhancing, caring, trusting, and supportive of innovation, personal balance and fun.

Accountability - We believe we are all accountable as a team for the outcomes of our clients. Within the team, each employee should also be accountable for his or her own actions and decisions. We value a "can do" attitude that fosters innovative problem-solving and the initiative to make things better.

Leadership

Leadership is the foundation of a successful organization.

Everyone in our organization exhibits leadership skills. The substance and core of leadership comes from the leader's purpose, values, courage and vision...and the ability to demonstrate with action rather than just words.

We excel through leaders who:

- are visionary and set clear direction supportive of our Vision, Mission, and Values;
- are visible, accessible and effective communicators;
- demonstrate integrity and commitment to our people philosophy through their actions and words;
- facilitate, engage and inspire a team approach at all levels;
- possess the courage to stand by their convictions and values... "doing the right thing";
- demonstrate a commitment to both personal and organizational improvement;
- continually recognize and promote the contributions of others;
- are able to recognize their limitations and build on the strengths of others;
- are accountable for their performance and hold others accountable for theirs.

Governance and Organization

Role and Responsibilities

The legal responsibilities of Saskatchewan's regional health authorities, including the Regina Qu'Appelle Health Region, are outlined in *The Regional Health Services Act,* S.S. 2002, c.R-8.2. The Act states that regional health authorities are responsible for the planning, organization, delivery and evaluation of the health services they are mandated to provide within their regions, and within any other areas that may be directed by the Minister.

The Regina Qu'Appelle Health Region is charged with two main areas of responsibility. The first is to assess the health care needs of the people it serves, prepare annual budget plans, deliver quality services and evaluate the services it provides. The second is to provide specialized health care for 465,000 residents in southern Saskatchewan through the two designated provincial hospitals in Regina.

Transition Planning

Careful planning facilitated the smooth transition of these responsibilities from three health districts to what we now call the Regina Qu'Appelle Health Region.

The formal planning period began on February 28, 2002, when the Minister of Health announced the appointment of the members of a Planning Committee for our new regional health authority. These 12 appointees included new members, as well as persons who had been members of one of the three merging district health boards. This balanced new perspectives with needed continuity. The Planning Committee worked diligently over the following five months at the task of developing a governance and accountability framework, as well as processes to establish a multi-year strategic direction and plan for the new region. An interim CEO was appointed in March, 2002, to support the work of the Planning Committee.

Formation of the Region

On August 1, 2002, relevant provisions of *The Regional Health Services Act* were proclaimed, eliminating district health boards and bringing regional health authorities into existence in Saskatchewan. The Pipestone, Regina and Touchwood Qu'Appelle health districts were merged into what was known as Regional Health Authority Four. The 12 members of the Planning Committee became the governing members of the Authority. After an extensive period of consultation, and at the request of the Authority, Regional Health Authority Four was renamed as the Regina Qu'Appelle Regional Health Authority and the name of the corresponding health region became the Regina Qu'Appelle Health Region. The new names took legal effect on November 1, 2002. The Region officially announced its new name and logotype on November 26, 2002.

Governance: The Regina Qu'Appelle Regional Health Authority

The Regina Qu'Appelle Regional Health Authority is the governing body of the organization.

To aid the 12-member Authority in fulfilling it responsibilities, three committees have been established.

The Resource Accountability Committee focuses primarily on financial and human resource matters. Early priorities of the committee are recruitment and quality of worklife issues.

The Services and Partnerships Committee has oversight responsibility for quality of care throughout the Region, and for working with community partners to deliver health services. Members also deal with physician privileges in the Region.

The Executive Committee includes the Authority's Chairperson and Vice Chairperson, as well as the Chairpersons of the other two committees.

Community Advisory Networks

The Regional Health Services Act requires each Authority to create Community Advisory Networks, whose functions are to "provide the regional health authority with advice respecting the provision of health services in the health region...."

Since its inception, the Regina Qu'Appelle Regional Health Authority has consulted as to how best to create and utilize these advisory bodies.

Toward the end of the fiscal year, the Authority developed a discussion paper that outlined a framework under which community advisory networks could operate. In addition, the Authority set geographic boundaries for the operation of four community advisory networks (see map pg. 34).

As the new fiscal year begins, the Authority is developing a plan that would have four functioning community advisory networks by the end of 2003.

Transparency

Health care is a public trust and is of interest to all residents. To keep the public informed about health care issues and the business of the Region, the Regina Qu'Appelle Regional Health Authority conducts it business meetings in public. Meeting dates, places and times are advertised in advance and information about Authority business is published, shared with the news media, and made available on the Internet.

As part of its commitment to openness, the Region will be making public two payee lists for fiscal year 2002-2003. One list shows total payments to employees through the payroll system and the other provides the total amounts paid to vendors through the accounts payable system. These payee lists will be available for viewing upon request, during regular business hours, at any of the Region's Health Sciences Libraries. These are located at the Pasqua and Regina General hospitals and at the Wascana Rehabilitation Centre.

Governance and Organization

Two important sources for information about the Region and the work of the Authority are the Region's Web site at *www.rqhealth.ca* and our quarterly newsletter, *HealthNews*. Our Web site provides a wealth of health-related information, news items and contacts for specific programs and services. *HealthNews*, delivered to every household in the Region, provides news and information about opportunities for healthy living, programs, events and activities, and includes the Chairperson's regular column.

The Region recognizes a special responsibility to communicate well with our employees and physicians. In pursuit of this aim, the RQHR has gone beyond regular communications channels to develop and implement a weekly newsletter for staff and a monthly newsletter for all physicians in the Region.

We understand the legitimate interest that news organizations have in health. The Region is in almost daily contact with reporters. We make every effort to maintain a mutually positive and respectful relationship with the news media as part of our shared responsibility to inform the public. The privacy rights of our patients, clients, residents and visitors will never be sacrificed in pursuit of this goal.

Administration of the Organization

Administrative Structure

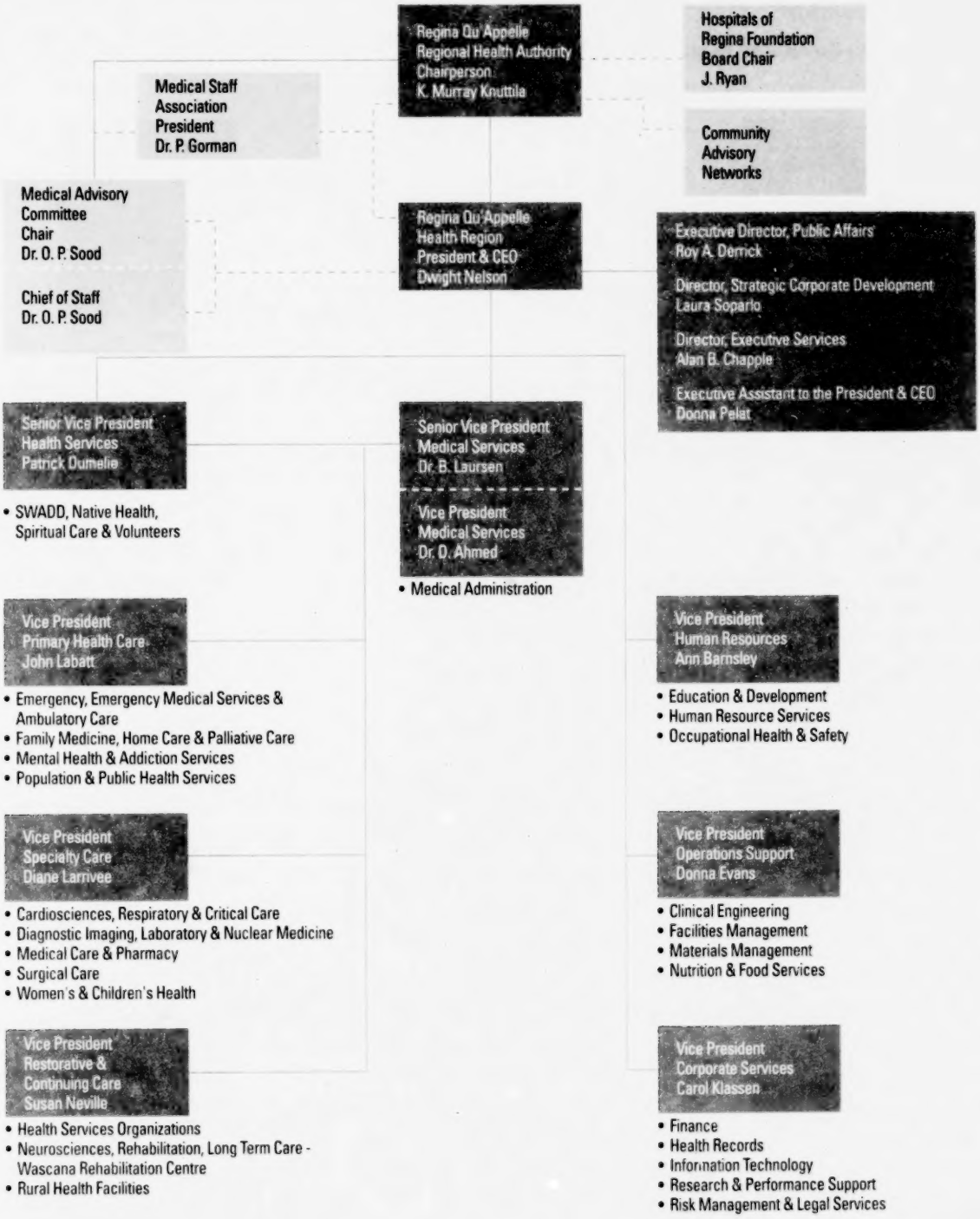
At the same time that the Planning Committee was formed (February, 2002), the senior management of the three districts began a concentrated effort to ensure that the operations of the three districts were successfully amalgamated into one larger organization. The Authority and senior management worked closely toward the goal of ensuring a smooth transition to a new organization continuing to offer high-quality, accessible health care services.

To develop the structure of the new organization, members of the senior management teams from all three districts – Pipestone, Regina and Touchwood Qu'Appelle – were invited to provide input and suggestions. Research was conducted into the structures of other major health organizations in Canada and many were consulted about their organizations. The new Planning Committee also had input into the structure, and gave final approval to the overall framework. A permanent President and Chief Executive Officer was appointed effective August 1, 2002.

A central feature of the new structure is two senior vice president positions, which co-lead all direct health and clinical programs. The core business of the Regina Qu'Appelle Health Region – health services – benefits greatly from this joint leadership. These new senior management roles provided key leadership as the Region integrated health services across our considerable geography into a new regional health care system.

Three vice presidents, directly responsible for health programs and services throughout the Region, support the two senior vice presidents and report to them. Three other vice presidents report directly to the president and provide overall corporate and support service leadership for the whole Region. Communications and strategy development positions also report to the President and Chief Executive Officer.

Governance and Organization



Leadership

Regina Qu'Appelle Regional Health Authority

K. Murray Knuttila
(Chairperson)

Loretta Elford

Bev Poitras

Lloyd Boutilier
(Vice Chairperson)

Tyronne Fisher

Gary Semenchuck

Anita Bergman

Marie Everett

Alex Taylor

J. Patrick (Pat) Connolley

Bryan Leier

C.R.H. (Chuck) Ward

Governance and Organization

Senior Management Team

Dwight Nelson
President and Chief Executive Officer

Patrick Dumelie
Senior Vice President, Health Services

Dr. Brian Laursen
Senior Vice President, Medical Services

Dr. David Ahmed
Vice President, Medical Services

Ann Barnsley
Vice President, Human Resources

Donna Evans
Vice President, Operations Support

Carol Klassen
Vice President, Corporate Services

John Labatt
Vice President, Primary Health Care

Diane Larrivee
Vice President, Specialty Care

Susan Neville
Vice President, Restorative and Continuing Care

Medical Advisory Committee

Dr. O. P. Sood (Chairperson)
Dr. E. Alport
Dr. E. Busse
Dr. G. Carson
Dr. N. Devitt
Dr. T. Diener
Dr. J. Dobson
Dr. C. Ekong
Dr. T. Goh
Dr. P. Gorman
Dr. J. D. Guerrero
Dr. D Jones
Dr. J. D. McHattie
Dr. J. S. McMillan
Dr. D. Natarajan
Dr. M. Ogrady
Dr. O. Rivera
Dr. V. K. Trivedi
Dr. E. Tse

Medical Staff Association

Dr. P. Gorman (President)
Dr. R. Capp
Dr. C. Ekong
Dr. F. Frederick
Dr. R. P. Knaus
Dr. E. Poon
Dr. E. Tse

Contractual Agreements and Partnerships

The Regina Qu'Appelle Health Region is an integral part of the health care community in Saskatchewan. As such, the RQHR works with over 400 health care and community organizations, agencies and departments to enhance the services provided in our community. RQHR does this in a variety of ways:

- through contracts with other service providers;
- through contracts in which RQHR provides services to other organizations and agencies; and
- through partnerships to provide programs and services.

The following are only a few examples of these contractual arrangements and partnerships.

Contracted Organizations and Agencies

Autism Resource Centre

The Regina Qu'Appelle Health Region contracts the Autism Resource Centre to assist in providing public and community services to children and adolescents diagnosed with Autism Spectrum Disorders (ASD). The Centre supplies a high-quality, home-based service for RQHR clients.

The Centre provides functional assessments and individualized functional programs to help clients develop the skills they need to increase their independence. A family resource person works with families at home and in the community. Family training is also provided.

With the assistance of the Autism Resource Centre and the school boards, the RQHR offers yearly seminars that assist the public and caregivers to develop a better understanding of the assessment and management of ASD. These seminars are an important part of family and professional training and continue to be well attended.

Saskatchewan Cancer Agency

The Regina Qu'Appelle Health Region enjoys many partnerships. The Allan Blair Cancer Centre, located in the southwest wing of the Pasqua Hospital, contracts for many services from the Health Region. Medical Imaging, Nuclear Medicine and Laboratory Services are examples of the purchased services. In addition, some Region staff are contracted to work within the Cancer Centre Pharmacy on an ongoing basis, dispensing drugs for cancer patients.

Planned Parenthood

Planned Parenthood Regina was contracted from December 1993 until 2002 to provide youth-focused sexual health services to the Regina Health District. The Regina Qu'Appelle Health Region has continued this contract and Planned Parenthood provides services to residents of the Region, including:

- counselling;
- medical services;
- education; and
- advocacy.

Planned Parenthood Regina communicates with other agencies providing sexual health services within the Regina Qu'Appelle Health Region through the Regina Sexual Health Coalition.

KidsFirst

KidsFirst is a program for high risk families with young children. RQHR and other community partners are working with KidsFirst to find innovative and effective methods of identifying and responding to the needs of these Saskatchewan families.

KidsFirst service agreements are in place with several RQHR departments to provide services to the KidsFirst Program. The RQHR Maternity Visiting Program screens children for the KidsFirst Program. If this screening indicates that follow-up is required, a KidsFirst assessment is done by a nurse from the Region's Population and Public Health Services in the family's home. A KidsFirst Mental Health and Addictions Team works with the Region's Child and Youth Services at the Randall Kinship Centre.

Collaborative relationships have also been established with services, such as Babies Best Start and Healthiest Babies Possible Program, offered by the RQHR.

Partnerships

College of Medicine

The University of Saskatchewan College of Medicine and the Regina Qu'Appelle Health Region have an affiliation agreement. Having this affiliation improves the quality of care in the Region, helps with recruitment and retention of physicians and allows the College to meet its obligation of serving the entire province.

First, second and third year medical students gain experience, conduct research and receive training in Regina facilities. Having more facilities in which to train increases students' clinical exposure and their opportunities to see patients. Students help keep the Region up-to-date with medical procedures.

Recruitment and retention of physicians in the Region is enhanced because many physicians who study in the Region decide to practise here. Indeed, about 40 per cent of RQHR's current physicians studied in Regina. The opportunity to teach aids in retaining many physicians and, at the same time, increases their knowledge.

In the last fiscal year, 46 medical students studied in Regina.

The Saskatchewan Academic Health Sciences Network

The Academic Health Sciences Network was formed in January, 2002, to create a collaborative environment among the key partner organizations involved with health sciences education, research and service in the province. The Regina Qu'Appelle Health Region is a member of the Board governing the Network. Early projects of the Network have included:

- developing a Vision and Strategic Direction;
- developing priority action plans to address concerns arising from consultations with physicians;

- developing interdisciplinary initiatives in collaboration with the University of Saskatchewan;
- providing health science library access for all health professionals in the province; and
- beginning development of an action plan to address accreditation issues in the College of Medicine.

Saskatchewan Surgical Care Network

The Saskatchewan Surgical Care Network (SSCN) is an advisory committee established to oversee improvements to the province's surgical system.

The Regina Qu'Appelle Health Region is well-represented on the SSCN. Chief Executive Officer, Dwight Nelson, and Chief of Surgery, Dr. Mark Ogrady, represent the RQHR, and Dr. Stewart McMillan, Department Head of Family Medicine, sits on the committee as Saskatchewan Health's Medical Consultant.

The Network has implemented two initiatives - the Surgical Care Coordinator program and a wait list Web site - designed to provide greater access to information on waiting times for surgery.

The Regina Qu'Appelle Health Region activated the toll-free (1-866-622-0222) Surgical Care Coordinator telephone line in December, 2002. The Coordinator can confirm that someone is on a wait list for surgery, check to see if there is an admission date to hospital, give an estimated wait time for surgery and provide general information about waiting times and booking procedures. The Web site (www.sasksurgery.ca) provides overall average waiting times for surgical procedures, but offers no personal information on individual patients.

Aboriginal Health

Based on extensive internal and external consultations, the Working Together Towards Excellence project has developed a Collaboration Framework to bring together governments and diverse organizations to improve First Nations and Métis peoples' health outcomes. The collaboration will seek to create synergies in knowledge management, human resources and service delivery improvements among participating organizations. Community input is also important. The next step for the project is to develop partnership agreements that formalize a common vision and set objectives in order to pave the way for strategic initiatives and shared leadership.

Already, some new working relationships have been initiated as a result of the Working Together Towards Excellence project. In particular, health researchers are seeking RQHR participation in the process of developing Aboriginal health research proposals. Topics include 'incorporating indigenous knowledge and healing ways in health service provider education and service delivery' and 'sustainable health in Aboriginal communities.'

Post-secondary institutions exploring Aboriginal health research partnerships include the Indigenous People's Health Research Centre, the First Nations University of Canada (formerly SIFC) and the Nursing Education Programs of Saskatchewan. In the early months, efforts have focussed on using seed grant funds to develop and complete research proposals for submissions to national research granting bodies.

Intersectoral Committee

The Regina Qu'Appelle Health Region participates actively in the Regina Intersectoral Committee (RIC). The RIC has a membership of senior managers from 25 human service agencies and departments in Regina and area. The Committee works collaboratively to develop strategies and deliver human service programming in a coordinated, responsive, and effective manner to enhance the quality of life for Regina and area residents. RQHR has been involved with the RIC and its members for five years. Regina Qu'Appelle Health Region's Information Technology Department also supported the development of a RIC Web site over the summer and fall of 2002.

Drug Strategy Project

The Regina Qu'Appelle Health Region is a partner in the Drug Strategy Project. The Project is a multi-sectoral partnership committed to reducing the impact of addictions in the city of Regina and the Regina Qu'Appelle Health Region. During 2002-2003, the 18 partners conducted community consultations and, in the next year, will begin to develop services and programs based on the community's recommendations.

Tobacco Control

With the Saskatchewan Coalition for Tobacco Control, the Regina Qu'Appelle Health Region has been successful in advocating legislation that bans tobacco displays. The Region continues to build on this achievement in disease prevention by working with the Coalition to improve the provision of smoke-free areas in the Region. (For more information on this health promotion initiative see pg. 40.)

Summary Report on Health Care Organizations

The Regina Qu'Appelle Health Region contracts with a variety of health care organizations (HCOs), and the relationship between the Health Region and these entities is an important factor in the delivery of quality health care services. In 2002-2003, the nature of these relationships changed marginally with the establishment of the Health Region and the introduction of *The Regional Health Services Act*. However, the accountability requirements defined by legislation and regulations may lead to additional changes in the future.

The following is a list of the health care organizations that received funding through the Health Region in 2002-2003: Raymore Community Health and Social Centre, Autism Resource Centre Inc., Phoenix Residential Society Inc., Rainbow Youth Centre Inc., and Regina Recovery Homes Inc.

Regional Environmental Scan

The Regina Qu'Appelle Health Region was formed through an amalgamation of one largely urban and two rural health districts, resulting in a region with a diverse population, unevenly distributed over a large geographic area.

The Region serves more than 245,000 urban and rural residents living in over 120 cities, towns, villages, rural municipalities and First Nations communities. Delivering quality health care to this population poses many challenges.

To assist in developing and delivering programming that meets the health care needs of its clients, the Region gathers information from many sources and conducts studies to identify the key factors, population trends, and socio-economic issues affecting the health of the Region's residents, now and in the foreseeable future.

Because many of the factors that affect health status are non-medical, the Region participates in a growing number of partnerships with community groups and other organizations to address a broad range of health-related matters, including health promotion.

Diverging Population Trends

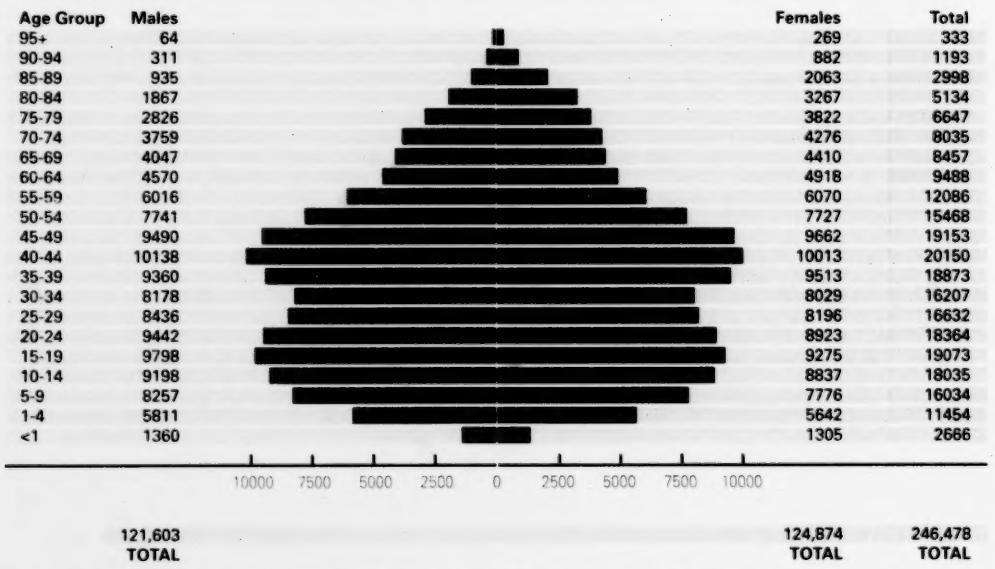
Studies indicate that the Region's population is expected to remain relatively stable between now and 2015, but the composition of the population will show major changes. For example, the Region's overall population will be older by 2015, as projections indicate a sharp rise in the number of people age 65 or older. During the same period, the number of people in the 0 to 39 age bracket is expected to drop by almost 23 per cent. There are, however, diverging trends within the overall population figures.

The newly formed Regina Qu'Appelle Health Region incorporates 17 First Nations communities, the largest number within any health region in Saskatchewan. These communities had a total on-reserve and off-reserve population of 24,729 in 2001. As a result, some 33 per cent of Saskatchewan's First Nations population lives within the boundaries of the new Region.

The off-reserve population of bands within the RQHR is by far the largest of any region, some 50 per cent higher than the region with the next largest number. At 7.1 per cent of the population, Regina has the second largest proportion of Aboriginal people of any major urban area in Canada, only slightly behind Saskatoon at 7.5 per cent. More Aboriginal people live in the RQHR than in Toronto.

First Nations people are the fastest-increasing segment of the province's population, and the Regina Qu'Appelle Health Region reflects this trend. The proportion of the Region's population represented by First Nations people will grow rapidly, particularly in the younger age groups (15 years and under). The Region is exploring how it can improve the health outcomes of Aboriginal peoples as part of its Working Together Towards Excellence project.

Regina Qu'Appelle Health Region Population Profile by Age Group and Gender, 2002



Source: Saskatchewan Health. Numbers refer to persons within the Regina Qu'Appelle Health Region eligible for coverage under the Saskatchewan Health Insurance Plan as of June 30, 2002.

These demographic factors require a range of responses from the health region, often in partnership with other agencies and groups. For instance, the aging population will require programs for seniors, such as home care, adult day programs, long-term care and "seniors' wellness" initiatives. The projected growth in First Nations populations in all age groups will require working in partnership with bands, tribal councils and governments to address health issues. Effective planning and partnerships will be particularly important in delivering services in rural areas, where significant numbers of seniors and First Nations people live.

Regina Qu'Appelle Health Region Projected Population Changes, 2003 to 2015.

Total population	**-2.6%**
0-19 age group	**-14.9%**
20-39 age group	**-7.8%**
40-64 age group	**+8.8%**
65-84 age group	**+24.9%**
85+ age group	**+22.2%**
First Nations 0-19 age group	**+14.4%**
First Nations 20-39 age group	**+9.4%**
First Nations 40-64 age group	**+4.4%**
First Nations 65-84 age group	**+4.0%**
First Nations 85+ age group	**+1.0%**

Source: HSURC, "Population Projections to 2015."

Non-Medical Health Indicators

Although the nine generally recognized determinants of health are not direct measures of the health of the population, these non-medical factors, such as employment, education and income, do affect the health of individuals.

For example, people who have attained higher levels of education have higher incomes and are more likely to be employed. These factors contribute to better health outcomes for these people, and their children.

Available information indicates that 18 per cent of families within the Region live below the poverty line, and almost 22 per cent of children live in low-income families. The most recently available data on incomes, from the 1996 census, show the average income for First Nations people at less than $15,000, compared with almost $26,000 for the overall population. Other studies have demonstrated the link between income and health status, particularly a correlation between poverty and poor health.

First Nations people also fare poorly in two other non-medical health determinants, employment and level of education.

In 2001, the overall unemployment rate within the Region was 4.2 per cent, but the rate among youth was nine per cent – a particular concern when the First Nations population includes so many young people. Two-thirds of the Region's overall population were employed in 2001, but the rate dropped to 42 per cent among First Nations people.

The data also indicate that, overall, more than 70 per cent of the Region's residents have graduated from high school, and 51 per cent have completed a post-secondary education. Region-wide, the figures are likely lower among First Nations people. Information from the former Regina Health District shows that only half of the First Nations population residing in the District had graduated from high school.

In the Regina Qu'Appelle Health Region, 18.3 per cent of families live below the poverty line and 21.9 per cent of children live in low-income families.

Health planners must take non-medical factors into account when planning programs and services for residents, clients and patients. This is particularly true in the areas of health promotion and disease prevention.

The Regina Qu'Appelle Health Region does offer programs in these areas in partnership with other health care and community-based organizations with the aim of having these services improve the health outcomes of the population.

Medical Health Indicators

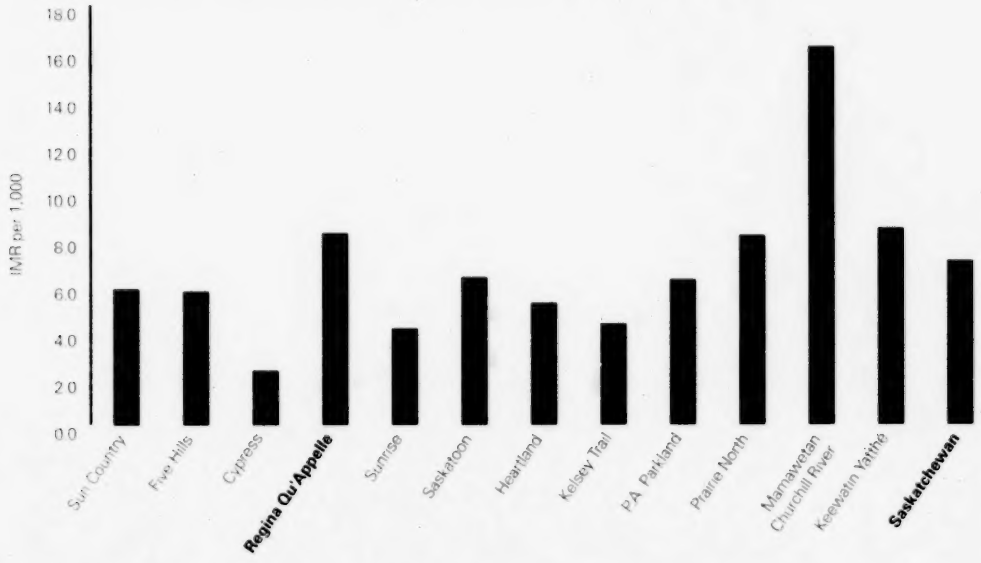
In April 2003, Saskatchewan Health released a draft document containing a set of health indicators to assist the regions in setting goals and objectives for their programs and services, and to provide them with tools for measuring health status outcomes The indicators are currently in draft form and there are occasional gaps where data has not been gathered, or has been collected using different approaches. However, the indicators do provide a useful starting point for the health authorities.

The following information on selected health indicators is provided as an illustration.

Infant Mortality

Infant mortality is a well-established measure of child health, and of a society's well-being. It reflects the health status of a population, the effectiveness of preventive care and the attention paid to maternal and child health.

Five Year Average (1997-2001) Infant Mortality Rates by Regional Health Authority

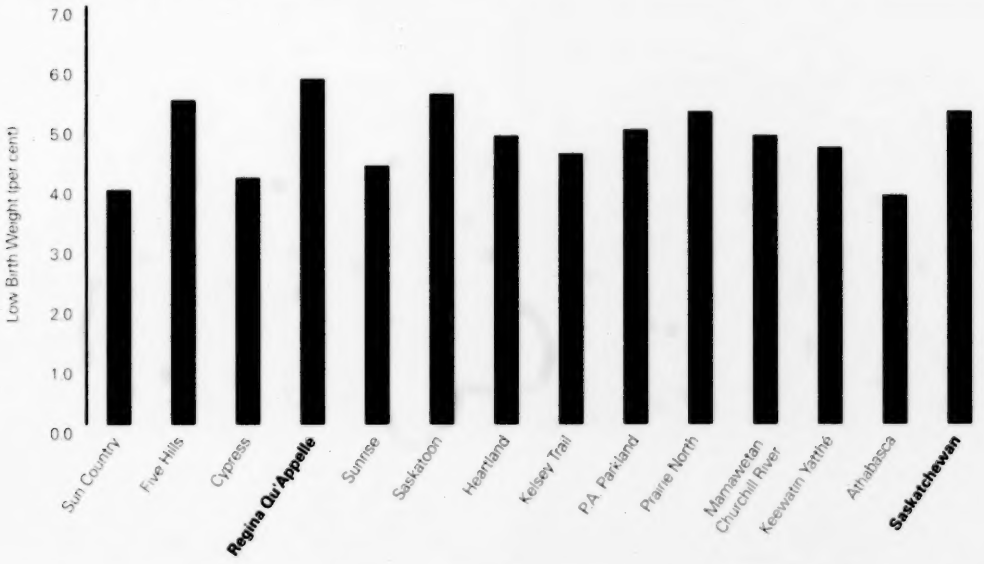


Source: Saskatchewan Health, 2003: Population Health Branch, Global Health Indicators for Regional Health Authority Expectations Agreement. pg. 9.

At-Risk Birth Weight

At-risk birth weight and low birth weight babies have a low probability of survival. At-risk birth weight infants often experience poor or abnormal growth or development, while low birth weight infants are at a greater risk of having disabilities and diseases. Statistics show that in the Regina Qu'Appelle Health Region over five per cent of infants have low birth weights. This is higher than the provincial average.

Five Year Average of Low Birth Weight by RHA



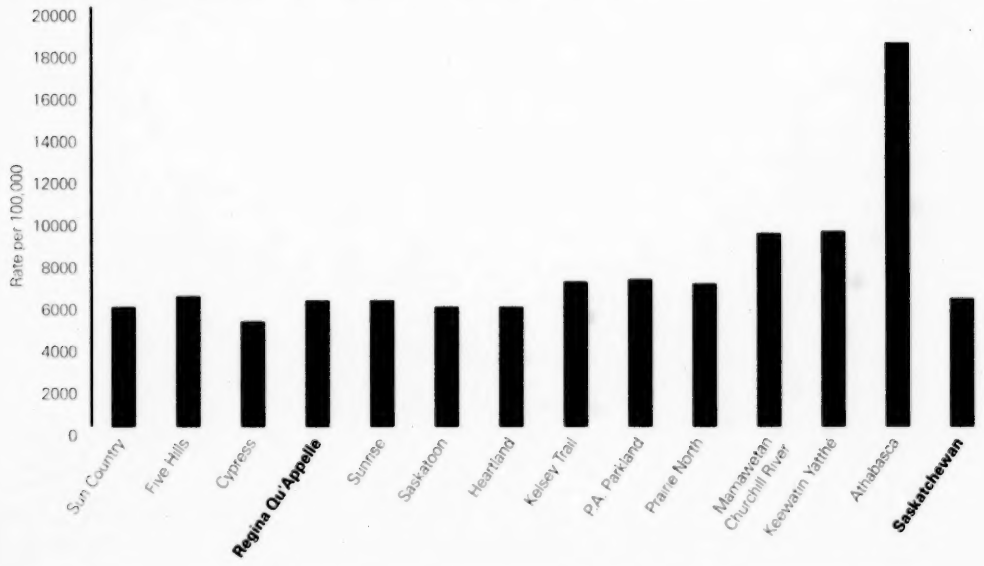
Source: Saskatchewan Health, 2003: Population Health Branch, Global Health Indicators for Regional Health Authority Expectations Agreement. pg. 10.

These measures indicate that the RQHR has high rates of infant mortality and low birth weight babies. The statistics underline the need for programs, such as Healthiest Babies Possible, currently operated by the Region and may indicate that these programs could be expanded.

Potential Years of Life Lost

Potential Years of Life Lost (PYLL) is calculated by determining the difference between age 75 and the age of death, if less than 75. PYLL is a useful measure for identifying factors contributing to premature death.

Average Potential Years of Life Lost, both sexes, by RHA, 1995-1999



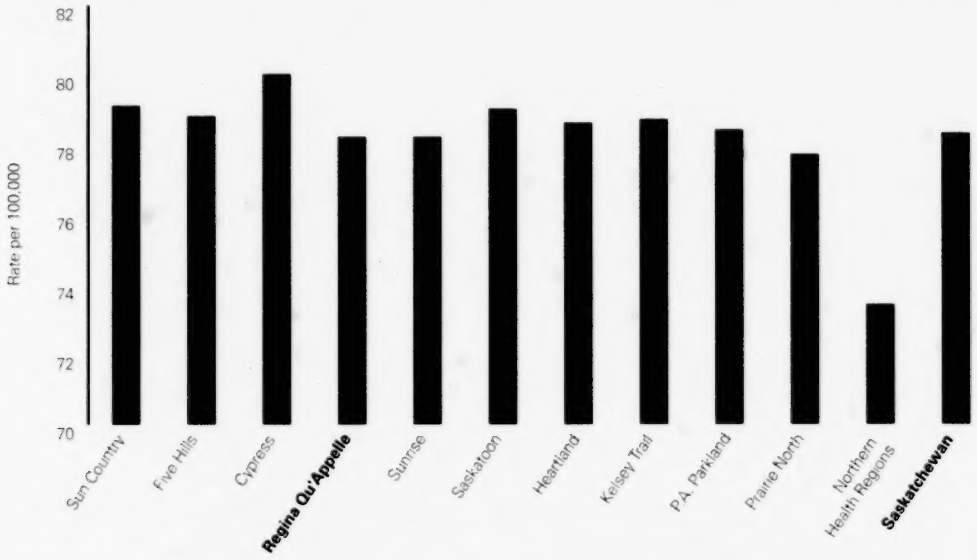
Source: Saskatchewan Health, 2003: Population Health Branch, Global Health Indicators for Regional Health Authority Expectations Agreement. pg. 11.

Leading causes of premature death in the Regina Qu'Appelle Health Region are heart disease and other heart-related conditions, brain and vascular conditions, motor vehicle accidents, diabetes and lung conditions.

Life Expectancy

Life expectancy is an important "quantity of life" indicator of the health status of a population. Life Expectancy at Birth projects the number of years an average person can expect to live. Life Expectancy at age 65 projects the number of years an average senior will live.

Life expectancy at birth, both sexes, by Regional Health Authority, 1996



Source: Saskatchewan Health, 2003: Population Health Branch, Global Health Indicators for Regional Health Authority Expectations Agreement. pg. 13.

Potential Years of Life Lost and Life Expectancy findings in the RQHR are the same as for Saskatchewan as a whole.

These, and other health indicators, and findings on the determinants of health, are used to design programs and determine the best way to serve residents of the Region.

Emerging Health Issues

Emerging health threats at different locations around the world cause deep concern among health professionals, researchers and the general public. To promote health and prevent disease, health care organizations must be aware of, and act to mitigate, the damage that can be caused by such health threats.

The Regina Qu'Appelle Health Region keeps abreast of emerging health issues and deals with many in collaboration with other health care and community organizations, on a local, national, and, when necessary, an international level.

The Region is working on all these levels to deal with the following issues.

During the Spring of 2003, in response to an outbreak of Sudden Acute Respiratory Syndrome (SARS) in Toronto, China and other locations, RQHR staff prepared extensive plans and solidified their close working relationships with those working in the local health care field. The Region will continue its monitoring and preparation as the SARS situation evolves around the world.

The Region is a member of a joint technical committee on West Nile Virus formed to direct activities combating mosquitoes and the virus in Saskatchewan. While the virus was detected in birds and horses in the province in 2002, no human cases were recorded last year. The Region has been active in communicating to the public about protective measures that people can take to protect themselves from mosquito bites, and to eliminate potential mosquito breeding sites.

A major factor affecting the population of Saskatchewan is diabetes.

In 1996, 38,124 people in Saskatchewan had diabetes. Some 3,200 new cases are diagnosed each year. The rate of diabetes is three times higher in Aboriginal people than in the provincial population and the likelihood of having diabetes also increases with age. Given the "graying" of Saskatchewan's population and the fact that the percentage of First Nations and Métis peoples is growing, programs to prevent and treat diabetes must and will be considered in health planning for the Region.

The human and monetary costs of diabetes in Canada are high. Diabetes afflicts 1.4 million Canadians and costs about $9 billion annually in health care, disability, lost work, and premature death.

A Continuum of Care

The Regina Qu'Appelle Health Region is a tertiary care centre providing specialized health care services to southern Saskatchewan and beyond.

The Region offers services in three areas: acute care, rehabilitation, and community and continuing care.

Hospital Care

A wide range of acute care services is provided at the Region's two Provincial hospitals – Regina General Hospital and Pasqua Hospital. Both hospitals provide specialized services throughout the Region and to residents of southern Saskatchewan.

Services are also provided to the Region's residents in seven community hospitals. These community hospitals are:

- Balcarres Integrated Care Centre
- Broadview Hospital
- Fort Qu'Appelle Indian Hospital (affiliate)
- Indian Head Hospital
- Moosomin Hospital
- St. Joseph's Integrated Care Centre
- Wolseley Memorial Union Hospital

Hospital services provided at one or more sites include:

- Ambulatory Care Services
- Cardiosciences
- Critical Care Services
- Diagnostic Imaging Services
- Emergency Care Services
- Family Medicine
- Gastroenterology and Hepatology
- Gynecology/Urology
- Internal Medicine
- Laboratory Services
- Neurosciences
- Oncology
- Orthopedics
- Palliative Care Services
- Pharmaceutical Services
- Psychiatry
- Pulmonary Function
- Renal Care
- Respiratory Care Services

A Continuum of Care

Hospital Care

	2000/2001	2001/2002	**2002/2003**
Admissions	31,022	29,028	**33,788**
Patient Days	210,067	197,308	**218,501**
Average Daily Census	576	547	**573**
Average Length of Stay (days)	6.70	6.80	**6.40**
Births/Newborn Admissions	2,997	3,003	**2,934**
Emergency Visits	86,422	83,465	**93,197**
Radiology Examinations	163,811	163,249	**141,777**
CT Scanner Examinations	28,883	30,537	**35,215**
Nuclear Medicine Admissions	12,256	12,715	**12,446**
Physical Therapy Visits	77,542	89,859	**87,282**
Occupational Therapy Visits	14,987	16,021	**14,143**
Outpatient Registrations	221,435	227,900	**234,676**

Figures for 2000/2001 and 2001/2002 are for the former Regina Health District only. Figures for 2002/2003 are preliminary.

Acute Care Surgery

	2000/2001	2001/2002	**2002/2003**
Total Number of Patients on Surgical Wait List	11,077	10,623	**11,091**
Pre-Admission Clinic Visits	8,047	7,167	**6,516**
Day Surgery Cases	28,911	26,016	**26,651**
Day of Admission Surgery Cases	6,263	4,884	**4,377**
Total Surgeries	40,619	35,718	**39,882**

Note: The lower numbers of surgeries in 2001/2002 and 2002/2003 reflect the impact of a 2001 strike by the Canadian Union of Public Employees and 2002 job action by the Health Services Association of Saskatchewan.

Figures for 2000/2001 and 2001/2002 are for the former Regina Health District only. Figures for 2002/2003 are preliminary.

Laboratory Services

	2000/2001	2001/2002	**2002/2003**
Laboratory Units	19,363,675	19,029,229	**19,794,878**

Figures are for the former Regina Health District only.

- Sleep Disorders Program
- Surgical Care Services
- SWADD (System Wide Admission/Discharge Department)
- Therapy Services
  - Occupational Therapy
  - Physical Therapy
  - Speech Therapy
- Women's and Children's Health
  - Neonatal Intensive Care
  - Obstetrics
  - Pediatrics

Rehabilitation Services

The Region offers rehabilitation services designed to help children and adults regain quality of life after an illness or accident. These services include:

- Acquired Brain Injury Outreach
- Adult Rehabilitation Program
- Children's Rehabilitation Program
- Functional Rehabilitation Program
- Prosthetics/Orthotics

Community and Continuing Care

Services delivered within the community are vital to an integrated health care system. They work in conjunction with acute care and rehabilitation services to provide a complete health care program for the residents of the Regina Qu'Appelle Health Region. Community services in the Region include:

- Emergency Medical Services
- Hearing Aid Plan
- Home Care Services
- Long Term Care Services
- Mental Health Services and Addictions Services
- Native Health Services
- Population and Public Health Services

The Regina Qu'Appelle Health Region has community health centres that provide outreach, health promotion and education services throughout the Region. These centres include:

- Al Ritchie Health Action Centre
- Cupar Health Centre
- Four Directions Community Health Centre

A Continuum of Care

Regina Emergency Medical Services

	2000/2001	2001/2002	**2002/2003**
Rural Responses	459	483	**485**
Out-of-District	98	121	**91**
Interfacility	2,651	2,560	**2,813**
Urban Responses	10,269	10,458	**10,829**
No-Transport Calls	3,456	3,647	**3,587**
Total Calls	16,933	17,269	**17,805**

Home Care

	2000/2001	2001/2002	**2002/2003**
Admissions	4,624	4,624	**5,174**
Annual Clients Served	7,511	7,951	**8,367**
Average Monthly Clients	2,469	2,383	**2,391**
Nursing Hours	63,999	69,559	**78,824**
Homemaking Hours	160,596	146,622	**134,350**
Number of Meals	48,023	45,386	**37,724**
Occupational Therapy Hours	5,056	5,518	**5,597**
Physical Therapy Hours	6,278	6,290	**6,072**
Support Hours	13,473	9,020	**7,986**
Social Work Hours	4,676	4,350	**4,160**
Volunteer Services – Hours	14,530	12,592	**11,798**

Figures are for the former Regina Health District only.

Immunization

	2000/2001	2001/2002	**2002/2003**
Number of Doses – Child Health Clinics	14,723	14,973	**13,946**
Number of School Children Immunized in School	11,428	11,207	**11,150**
Influenza Coverage Rates – People over 65 years	70.2%	66.1%	**65.6%**

Figures for 2000/2001 and 2001/2002 are for the former Regina Health District only.

- Grenfell Health Centre
- Long Lake Valley Integrated Facility
- Montmartre Health Centre
- Raymore Community Health and Social Centre (affiliate)
- Southey Health Action Centre
- Whitewood Community Health Centre

Long term care in the Regina Qu'Appelle Health Region is provided by Region-owned and operated facilities and through affiliates contracted to the Region. These include:

- Balcarres Integrated Care Centre
- Broadview and District Centennial Lodge
- Cupar and District Nursing Home (affiliate)
- Eastern Saskatchewan Pioneer Lodge
- Extendicare (Elmview, Parkside and Sunset) (affiliate)
- Fort Qu'Appelle Indian Hospital (affiliate)
- Golden Prairie Home
- Grenfell and District Pioneer Home
- Lakeside Home
- Long Lake Valley Integrated Facility
- Lumsden and District Heritage Home (affiliate)
- Montmartre Health centre
- Qu'Appelle House (affiliate)
- Regina Lutheran Home (affiliate)
- Regina Pioneer Village (affiliate)
- Santa Maria Senior Citizens Home (affiliate)
- Silver Heights Special Care Home
- St. Joseph's Integrated Care Centre
- Wascana Rehabilitation Centre
- Whitewood Community Health Centre
- William Booth Special Care Home (affiliate)

Health Care Service Access Guide

The Regina Qu'Appelle Health Region publishes a Health Care Service Access Guide as part of both the Regina and Regina District DirectWest telephone directories. These green pages, following the blue pages of government listings in the centre of the directories, outline the institutional and community programs and services provided by the Region, as well as providing important contact information. Further information about what the Region has to offer is available through our Web site at www.rqhealth.ca.

Long Term Care Clients in Hospital Awaiting Placement

2000/2001	2001/2002	**2002/2003**
250	323	**280**

Figures are for the former Regina Health District only.

Concerns Registered with Client Representative

	2000/2001	2001/2002	**2002/2003**
Number of Concerns	532	647	**622**
Percentage of Acute Care Patients registering a concern	1.71	2.23	**0.91**
Average time to resolve all concerns (days)	14.7	12.0	**10.9**
Average time to resolve non-complex concerns (days)	5.2	4.3	**4.1**

Figures are for the former Regina Health District only.

Staffing

Regina Qu'Appelle Health Region Employees (full-time equivalent positions)

	2000/2001	2001/2002	**2002/2003**
Support Staff	1,984.40	1,970.75	**2458.27**
Nursing	1,775.18	1,716.36	**1872.77**
Other professionals	538.70	546.48	**547.60**
Technical	370.25	378.24	**467.63**
Management Staff	216.49	220.37	**237.55**
Physicians	52.51	56.93	**55.04**
Total	**4,901.83**	**4889.13**	**5638.86**

Figures for 2000/2001 and 2001/2002 are for the former Regina Health District only.

Employees of Affiliated Special Care Homes (full-time equivalent positions)

	2000/2001	2001/2002	**2002/2003**
Support Staff	1,088.84	1,097.55	**1096.95**
Nursing	169.20	169.20	**169.20**
Management Staff	47.69	47.69	**47.69**
Other Professionals	23.91	24.23	**25.23**
TOTAL	**1,329.64**	**1,338.67**	**1339.07**

Figures for 2000/2001 and 2001/2002 are for the former Regina Health District only.

Staffing

Regina Qu'Appelle Health Region Medical Staff

	2000/2001	2001/2002	**2002/2003**
Active	343	349	**347**
Associate	55	70	**68**
Locum	2	3	**1**
Visiting Consultant	18	22	**27**
District Affiliate	26	27	**52**
TOTAL	**444**	**471**	**495**

Figures for 2000/2001 and 2001/2002 are for the Regina Health District only.

Regina Qu'Appelle Health Region Medical Staff Turnover

	2000	2001	**2002**
New Appointments (does not include locums)	42	49	**50**
Resignations	22	30	**16**
Retired	3	4	**3**

Figures for 2000/2001 and 2001/2002 are for the Regina Health District only.

Major Initiatives, Progress and Accomplishments

Background

In December 2001, Saskatchewan Health unveiled its blueprint for the future of health services in the province, *The Action Plan for Saskatchewan Health Care.* That plan included the formation of 12 Regional Health Authorities to replace 32 districts. The health authorities, including the Regina Qu'Appelle Health Region, are working with Saskatchewan Health and many partners to deliver quality health care to the people we serve.

Saskatchewan Health has subsequently released a Performance Plan that sets out the department's long-term goals and the performance measures it is using to monitor its progress. These goals include:

- Improved access to quality health services;
- Effective health promotion and disease prevention;
- Retention, recruitment and training of health care providers;
- A sustainable, efficient, accountable and quality health system.

As part of its Performance Plan, Saskatchewan Health also requires that the regional health authorities establish a strategic framework for action consistent with the strategic direction for health care established by the province.

The Regina Qu'Appelle Regional Health Authority began development of a strategic framework for the Region in 2002. Vision, mission, values statements were drafted, along with a five-year strategy map outlining the strategic thrusts and long-range goals for the Region. In addition, a "people and leadership philosophy" has been developed to guide our relationships with all our stakeholders.

The Region will involve stakeholders in the planning process, provide communication regarding the future direction of the Region and obtain feedback on the proposed strategic framework. This input will be critical to the development of the objectives related to the goals and the implementation strategies.

The Region has commenced work on the establishment of performance measures consistent with the expectations of the Provincial Accountability Framework, which will support the achievement of our strategic direction.

The Region will use a balanced approach to further develop the objectives and performance indicators. This approach will not simply consider financial results but will also consider four key areas: Clients; Resources and Assets; Quality Processes; and People, Learning and Leadership. The Region's 2003-2004 Annual Report will provide more information on goals and results.

Regina Qu'Appelle Health Region Five-Year Strategy Overview

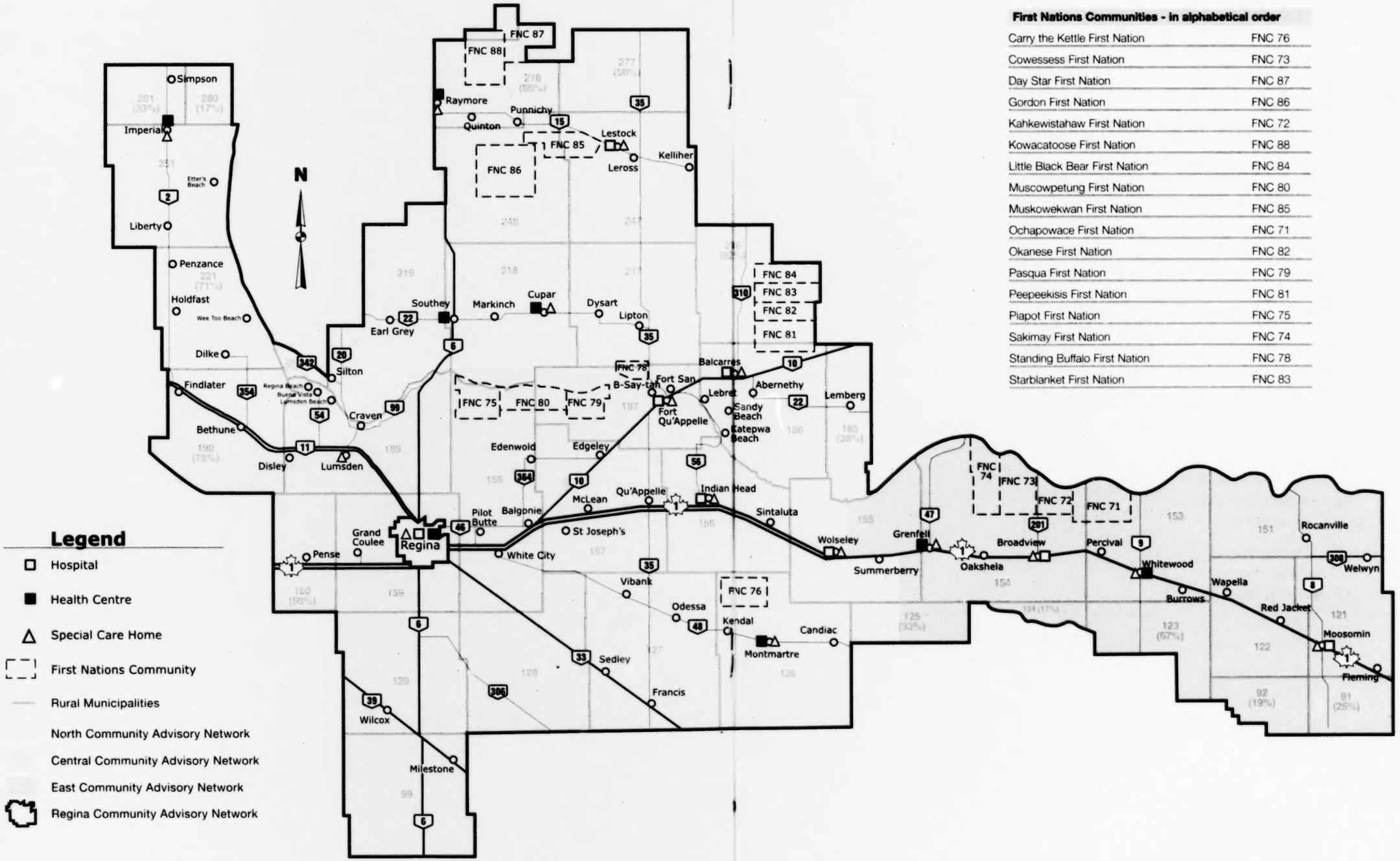
Provincial Health Goals:

- **Improved Access to Quality Health Services**
- **Effective Health Promotion and Disease Prevention**
- **Retain, Recruit and Train Health Providers**
- **A Sustainable, Efficient Accountable Quality Health System**

Regina Qu'Appelle Health Region Strategic Thrusts:

- **Specialized Services**
  Goal: Recognition as a center of excellence in Saskatchewan
- **Aboriginal Health**
  Goal: Improve the health status outcomes of Aboriginal people through collaboration
- **Positive, Innovative Work Environment**
  Goal: Recognition as a preferred employer
- **Resource Accountability and Sustainability**
  Goal: Balanced budget and appropriate investments
- **Knowledge-Based**
  Goal: Create and apply knowledge to improve service delivery and health
- **Primary Health Care**
  Goal: Improve health status, quality of life and reduce dependency on tertiary care centers
- **Teaching and Research**
  Goal: Recognition as an academic health services organization
- **Public Confidence**
  Goal: Key audiences will view our performance favourably
- **Sustainable Quality Services**
  Goal: Effective service delivery within available resources

Regina Qu'Appelle Health Region

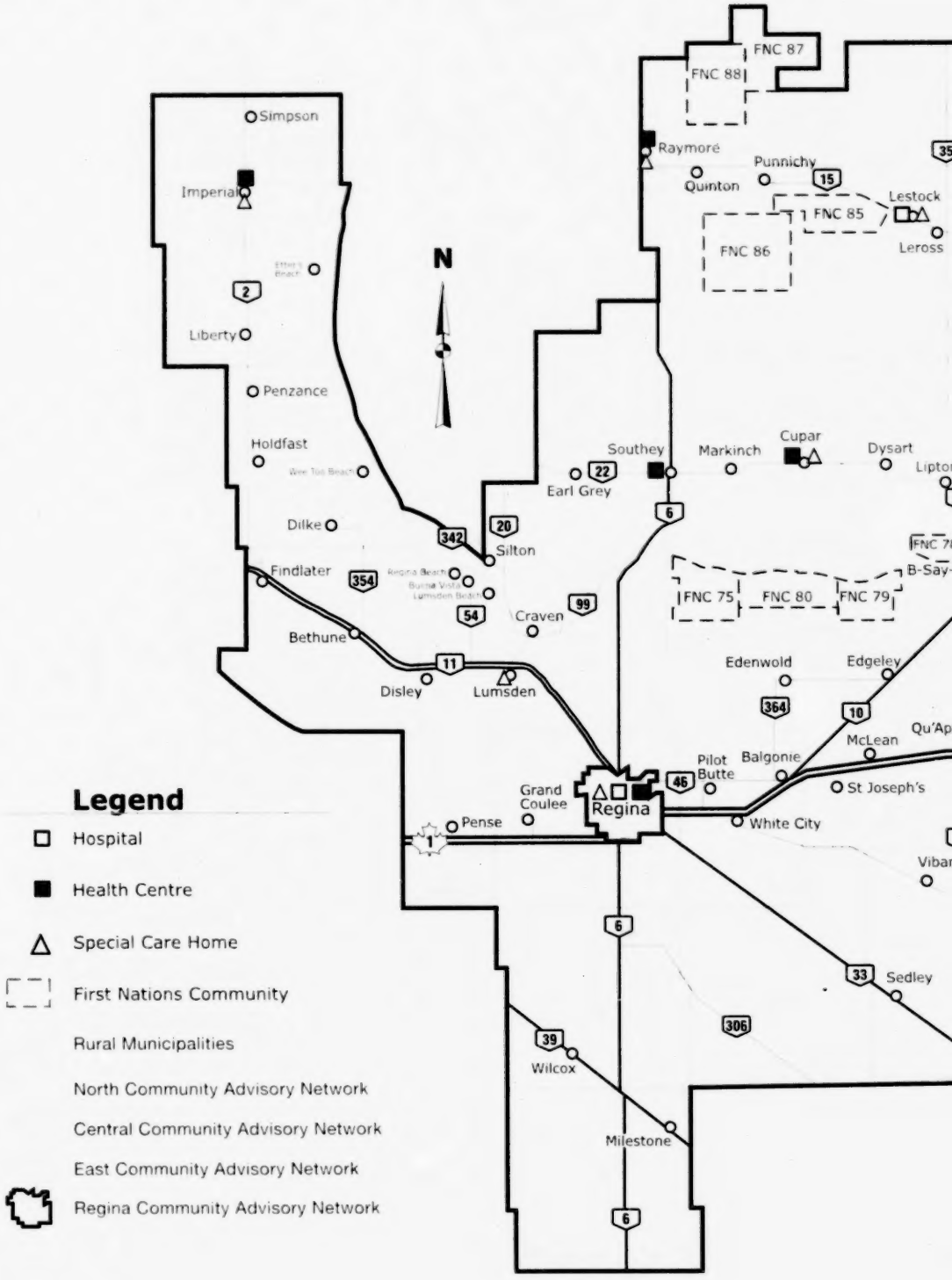


Legend

- Hospital
- Health Centre
- Special Care Home
- First Nations Community
- Rural Municipalities
- North Community Advisory Network
- Central Community Advisory Network
- East Community Advisory Network
- Regina Community Advisory Network

First Nations Communities - in alphabetical order	
Carry the Kette First Nation	FNC 76
Cowessess First Nation	FNC 73
Day Star First Nation	FNC 87
Gordon First Nation	FNC 86
Kahkewistahaw First Nation	FNC 72
Kowacatoose First Nation	FNC 88
Little Black Bear First Nation	FNC 84
Muscowpetung First Nation	FNC 80
Muskowekwan First Nation	FNC 85
Ochapowace First Nation	FNC 71
Okanese First Nation	FNC 82
Pasqua First Nation	FNC 79
Peepeekisis First Nation	FNC 81
Piapot First Nation	FNC 75
Sakimay First Nation	FNC 74
Standing Buffalo First Nation	FNC 78
Starblanket First Nation	FNC 83

Regina Qu'Appelle Health Region



First Nations Communities - in alphabetical order

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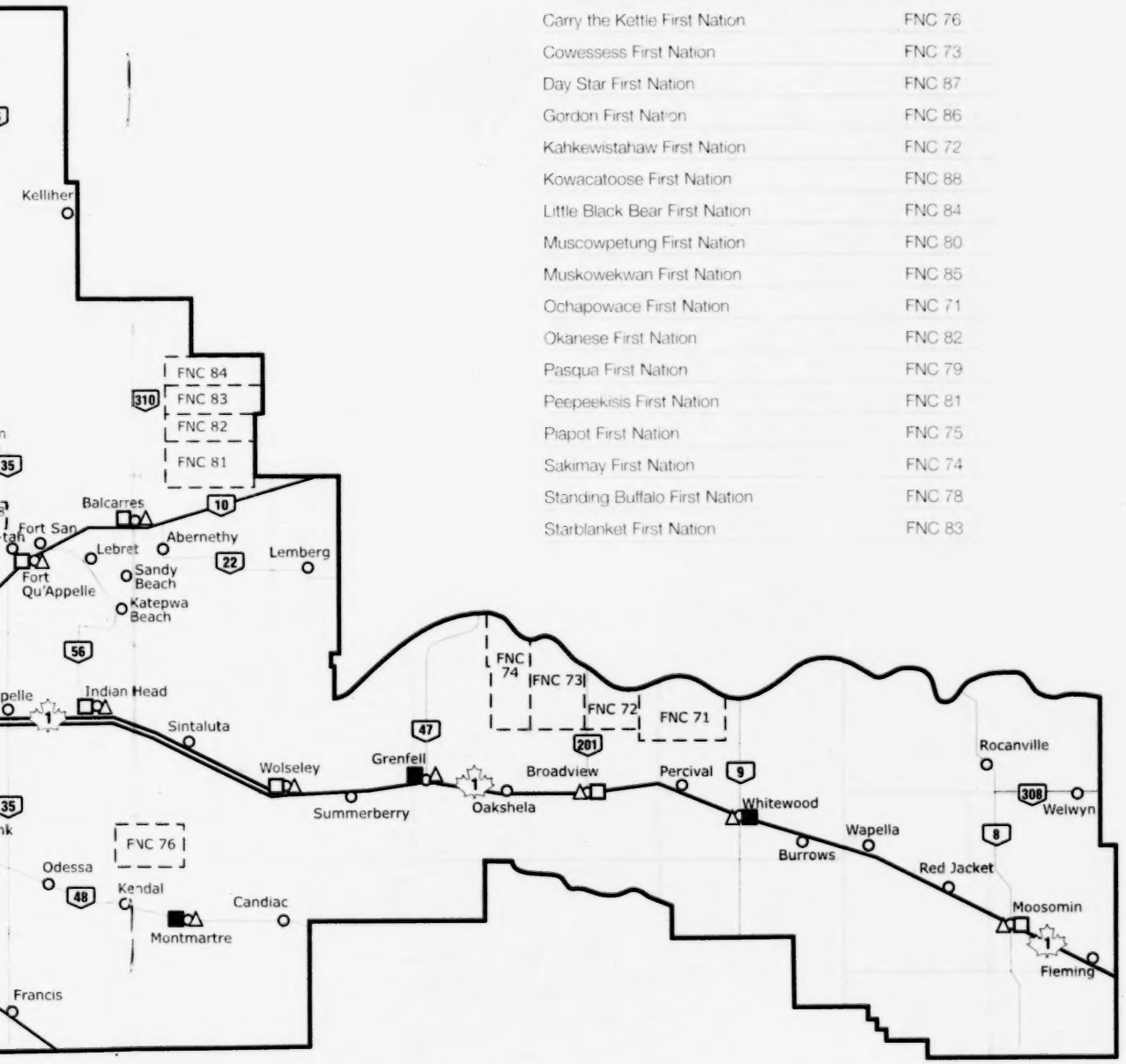
Muscowpetung First Nation	FNC 80
Muskowekwan First Nation	FNC 85
Ochapowace First Nation	FNC 71
Okanese First Nation	FNC 82
Pasqua First Nation	FNC 79
Peepeekisis First Nation	FNC 81
Piapot First Nation	FNC 75
Sakimay First Nation	FNC 74
Standing Buffalo First Nation	FNC 78
Starblanket First Nation	FNC 83



Accomplishments

While the Region has been working to develop its longer-term goals and objectives, staff members have also been addressing the immediate challenges of integrating three districts into one operational structure. By any measure, they have succeeded in achieving a smooth transition while continuing to deliver high-quality health care to the residents of the Region, and specialized care for some 465,000 people in southern Saskatchewan. With the successful transition largely completed, the Region is poised to move forward to fulfill its vision of healthy people, families and communities.

Headlines 2002-2003: A Look Back

April, 2002

Working Together Towards Excellence Project Launched

The Working Together Towards Excellence project was initiated as part of ongoing efforts to explore how the Region, with community-based partners, can improve health and social outcomes for First Nations and Métis peoples.

May 13, 2002

New Digital Echocardiography Equipment In Service

This new technology enables cardiologists to capture cardiac ultrasound images with more definition than was previously possible.

The images can be stored in digital files on a computer and viewed remotely from many locations, making it easier for physicians to review and respond.

Improving Aboriginal Health Outcomes

In 1993, working toward achieving the goal of reducing inequities in health, the former Regina Health District conducted a needs assessment to determine the best methods to improve health and social outcomes for First Nations and Métis Peoples. The recommendations from this assessment set the foundation for Aboriginal service development during much of the 1990s. This development included:

- the opening of the Four Directions Community Health Centre;
- the development of Native Counselling Services at the Regina General and Pasqua hospitals;
- the initiation of an Aboriginal community development program, and;
- the creation of programs to promote Aboriginal employment and cultural awareness among staff.

In 1998, the Regina District Health Board initiated a strategic planning process to identify key areas where resources could be directed to achieve improvements in Aboriginal health. This process became known as the Aboriginal Health Initiative (AHI).

May 29, 2002

Region Shows Promising Scores in National Health Indicator Survey

The Canadian Institute for Health Information "Health Indicators Survey for 2002" showed that the combined Pipestone, Regina and Touchwood Qu'Appelle health districts measured better than average or within an acceptable range of the national average in 23 of 29 health system performance indicators.

June 10, 2002

Region Grades Well in *Maclean's* National Ranking of Health Regions

The region incorporating the former Pipestone, Regina and Touchwood Qu'Appelle health districts moved up 10 places to 13th overall in *Maclean's* magazine's annual ranking of health regions across Canada.

The *Maclean's* report showed little difference among the top health regions in Canada. Only five percentage points separated the Regina Qu'Appelle Region from North/West Vancouver, the highest-rated health region in the report.

In June 2000, the Aboriginal Health Initiative report identified priorities for service enhancement and a new phase of work – the Working Together Towards Excellence project – was initiated.

With the formation of the Regina Qu'Appelle Health Region, the AHI continued and expanded to encompass the new Region. The Regina Qu'Appelle Regional Health Authority has made one of its goals the improvement of the health status outcomes of Aboriginal people.

During 2002-2003, the Regina Qu'Appelle Health Region's Working Together Towards Excellence project team, together with an external advisory group, conducted extensive research, including consultations with Health Region staff and external stakeholders. The report of the project, including recommendations for collaborative action to improve Aboriginal health outcomes, will be published in 2003.

June 12, 2002

Western Health Care Regions Join Forces to Develop Integrated Electronic Health Record System

The former Regina Health District teamed up with six other major urban health centres across western Canada to accelerate efforts to develop an integrated electronic health record system.

A shared electronic health record would give health care providers secure, timely and appropriate access to accurate patient information regardless of where the patient is seen.

June 26, 2002

Additional Funding Provided to Continue Planning Moosomin Integrated Facility

The former Pipestone Health District received an additional $575,000 from Saskatchewan Health to continue planning for the proposed Moosomin Integrated Health Care Facility.

When this funding is added to the $326,000 Saskatchewan Health provided for project planning in the previous fiscal year, the total funding advanced for this project is over $900,000.

State-of-the-Art Medical Equipment

The Regina Qu'Appelle Health Region continues to acquire new medical equipment, much of it digital. State-of-the-art digital equipment is replacing dated analog equipment in the Diagnostic Imaging areas. The advantages of digital imaging include better quality images, portability of the images, and an improved ability to store images. Having digital equipment facilitates working with other health care organizations.

The acquisition of new anesthetic machines this fiscal year has improved patient care by providing the most up-to-date technology. Anesthesiologists are now using the new machines and have an enhanced ability to monitor patient status during surgical procedures.

Better technology has also resulted in advanced patient beds. The acquisition of electric beds in the Region will ease the workload of direct care staff and improve the independence of patients. Direct care providers will experience less back strain associated with manual cranking to adjust beds for patient comfort. Clients will experience more autonomy in being able to adjust their beds to their own comfort levels. The Region has a long-term plan for bed replacement that expects to see additional electric beds added until the replacement of manually operated beds is completed.

August 28, 2002

New State-of-the-Art Radiology Rooms On-Line

The Region now has three of six state-of-the art radiology rooms in western Canada.

The new equipment generates a high-resolution digital image. This equipment will help the Health Region provide better service to patients and was a step in moving towards a filmless environment in which all images will be digital.

October 28, 2002

Co-generation Pilot Project at Regina General Hospital Showcases Energy Efficiency

The Region further improved its state-of-the-art energy system in an innovative pilot project that is a partnership amongst the Region, SaskEnergy and SaskPower.

This alternative energy system, called co-generation, produces electricity from natural gas while using the exhaust to preheat a portion of the hospital's domestic hot water used for cooking and cleaning.

The microturbines added to the Regina General Hospital's energy system are not only energy efficient, they lessen greenhouse gas emissions. Lessening emissions is another way a health care organization can contribute to the overall health of the population.

Introducing Regina Qu'Appelle Health Region

The name and logo for our region reflect a strong vision for the future and, at the same time, acknowledge the richness of our history, culture and geography.

The new logo is made up of two elements, the name and the symbol. The name Regina Qu'Appelle recognizes the historic significance of Regina in health care, while Qu'Appelle refers to the valley that is so integral to the geography of our health region.

Green – a colour closely associated with the medical field – has been chosen for the symbol. The colour represents the physical environment of southern Saskatchewan, suggesting ongoing growth and evolution.

The symbol embraces a diverse family of images – from rivers and roadways to grasslands, fields, and fire. It also references the merging of three Districts into one Region, and the integration of a wide diversity of skills so important in the effective delivery of health care services. The elements of the symbol combine, moving upward and into the distance, offering a sweeping sense of unity, while reflecting a vision for the future.

November 26, 2002

Regina Qu'Appelle Health Region Launches New Name and Logo

Regina Qu'Appelle Health Region is the official name of the organization emerging from the amalgamation of Pipestone, Regina and Touchwood Qu'Appelle health districts.

In an event held at the Pasqua Hospital, both the new name and logo were introduced to the public for the first time.

December 10, 2002

Region Scores a Pacemaker First

A medical team in the Regina Qu'Appelle Health Region has implanted the first pacemaker in Saskatchewan to operate using wireless technology.

Previously, patients had to physically connect their pacemakers to telephones to transmit information. It is expected that the new automated wireless technology will reduce the overall cost of managing the pacemaker system.

January 2003

Non-Smoking Areas Increase

Bars, bingo halls, billiard halls, bowling alleys move from 30 per cent to 40 per cent smoke free.

Tobacco Control Leadership

The Regina Qu'Appelle Health Region plays a leading role in the Saskatchewan Coalition for Tobacco Control, which has approximately 20 health care organizations as members. The Coalition has been successful in encouraging Saskatchewan legislators to pass a law banning tobacco displays in areas where children are allowed. This precedent-setting legislation – supportive of the government's goals relative to health promotion and disease prevention – will be studied at an international conference on world best practices in Finland, where the Coalition has been invited to present its work. The legislative success was also highlighted in the March, 2003, issue of Tobacco Control, an international journal on tobacco control issues.

Although Saskatchewan has some of the world's most progressive tobacco control legislation in the area of advertising, provincial legislation is behind in the provision of smoke-free areas and in granting workers the right to smoke-free workplaces. Improving legislation in this area is the Coalition's next challenge and the Regina Qu'Appelle Health Region will continue to be a leader in the Coalition's work.

Challenges and Future Directions

During a lengthy strategic planning process, the Regina Qu'Appelle Regional Health Authority identified challenges that the Region may face in the next five years. In some cases, arrangements are in place to deal with the issues, and, in others, planning is underway.

Some of the challenges include:

- addressing the health needs of the First Nations and Métis residents of the Region;
- re-orientating services to a primary health care model to better address population health needs, sustainable rural healthcare, client access and reliance on tertiary care services;
- maintaining collaborative partnerships with key stakeholders;
- sustaining a Strategic Human Resource Plan.

Improving health outcomes for the First Nations and Métis population

As a whole, First Nations people have significantly lower incomes, lower levels of education and higher unemployment rates than non-Aboriginal people. These non-medical health determinants play a role in the leading causes of hospitalization: heart, pulmonary and hypertensive diseases; pneumonia, influenza, bronchitis and emphysema; and asthma and lung diseases. They also contribute to the leading causes of premature death in our Region:

- heart disease and related heart conditions;
- brain and vascular conditions;
- motor vehicle accidents;
- diabetes; and
- lung conditions.

Improving these outcomes is a Saskatchewan Health objective and a goal of the Regina Qu'Appelle Health Region. The Region has already begun several major initiatives to address how it will deliver health care in the future. Through the Working Together Towards Excellence project, the Region is working in partnership with First Nations communities, Tribal Councils and other agencies to address the specific health issues affecting Aboriginal peoples (see pg. 36).

Primary Health Care

As an integral step towards realizing its goal of healthy people and a healthy province, Saskatchewan Health is giving high priority to the development of Primary Health Care (PHC) services within all health regions over the next decade. The province's *Action Plan for Saskatchewan Health Care* considers PHC as the foundation of a reorganized, revitalized health care system.

Challenges and Future Directions

RQHR has committed to demonstrating leadership in the development of PHC services. Actions taken to date include:

- A PHC portfolio has been created under the leadership of the Vice President, Primary Health Care.
- A PHC Strategic Planner has been hired to coordinate the planning of PHC sites or teams and networks across the region.
- A PHC Steering committee, comprised of key leaders across the organization, has been struck to guide the process.
- "Primary Health Care Development – Implementation of Strategic Direction," has been developed, representing a five-phased plan beginning with 'Concept' and continuing towards 'Reality' over a period of approximately two and one-half years.
- Ten-year outcomes for PHC in RQHR have been established.
- "Items for Consideration" in developing PHC sites/services have been identified and will be made available to select communities of interest for response.
- A preliminary analysis of pertinent information and data relating to RQHR's population has occurred.
- Strategies to inform the plan have occurred, such as site tours, consultations and education sessions with internal, external and interdisciplinary partners, attendance at conferences, and a study tour of Primary Care Trusts in the U.K.
- Efforts are currently underway to engage various local community leaders and health professionals to explore interest, willingness, capacity and opportunities to work with the RQHR to develop PHC sites/services.

By early fall, 2003, two to three communities within the region will be selected as initial sites for development. Work will then begin on planning specific programs and services based on the communities' needs.

Over the next 10 years, the number of PHC sites/teams within RQHR will be expanded, with lessons learned through evaluation of the initial sites/teams being incorporated into their planning.

Collaborative Partnerships

The Regina Qu'Appelle Health Region works toward providing quality, effective health care services within the resources available. The Region recognizes that there are other agencies and organizations that offer a variety of services to the Region's population. To meet service needs, the Region collaborates with over 100 agencies, departments and community-based organizations. The Region also has more than 500 contracts for services and supplies. (For examples of some of our partnerships and contractual arrangements see pg. 12.)

The Region's response to emerging health threats, such as the recent appearances in Canada of Sudden Acute Respiratory Syndrome and West Nile Virus is coordinated with other concerned organizations (see pg. 23).

Strategic Human Resource Plan

Current research and practice nationally, provincially and regionally indicates that a healthy work environment supports employee satisfaction and wellness. Integral to a healthy work environment is a safe environment and a culture that manages absences in an appropriate manner.

The Region has developed, and is continuing to plan programs to support and encourage quality work environments. Additionally, the Region will enhance already existing safety, prevention, return to work and attendance programs. Education designed to develop core competencies is in place and will continue to support managers in their leadership roles for these and other programs.

Given the growing number of First Nation and Métis residents of the Region (see Environmental Scan), a five-year strategic plan to work toward having a representative workforce has been developed.

Management Discussion and Analysis

Background

In the following pages we have outlined some of the financial results and key trends of the Regina Qu'Appelle Health Region.

Over the last several years, considerable effort and time have been directed towards maximizing the operational efficiency of the former Pipestone, Regina and Touchwood Qu'Appelle health districts. This process became even more imperative when the former Regina Health District ended the March 31, 2000, year with a $28.7M operating deficit. Through a process of reduction strategies and an injection of funding from Saskatchewan Health, the Region has been able to end the 2003 fiscal year with a surplus of $2.1M.

The Region continues to look to maximize efficiencies while aiming to maintain the level of volumes and services.

While ending the year with a small surplus, which has been directed towards much needed capital purchases, the Region continues to face serious liquidity issues. The Working Capital Ratio (operating fund) for the year ended March 31, 2003 was .27. This makes its very difficult to invest in technologies to achieve efficiencies in operations. This is particularly true in the information technology area where management information systems would assist managers and administration in decision-making. The RQHR is committed to restoring fiscal health to the organization despite significant barriers.

Coupled with liquidity issues is the challenge of reducing the $31M line of credit. This line of credit arose during the construction of Project '98 and the resultant deficits during and subsequent to these years. The Region has made it a priority to examine strategies to reduce the line of credit.

Capital funding for equipment and technology continues to be an area of great concern. The Region has estimated that expenditures for this area should be in the range of $18-20M per year. Spending on capital equipment for the last three years has been:

Year ended March 31, 2001(RHD only)	$ 3.3M
Year ended March 31, 2002	$ 18.0M
Year ended March 31, 2003	$ 9.4M

While the Region has had financial challenges, we continue to make progress in other areas. Approval has been received for the construction of the Fort Qu'Appelle Indian Hospital and for the design and planning phase of the Moosomin Integrated Health Care Facility. These are exciting projects which will enhance services in the rural areas of the Region.

Financial Overview

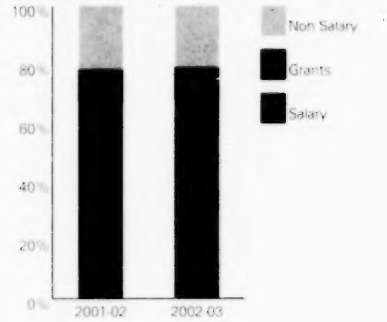
The Region ended the year with a small surplus of $2.1M versus a budgeted surplus of $3M. The surplus was directed towards capital purchases. To direct funds from operations to capital was not an insignificant achievement.

Operating revenues for the year totaled $473.3M. Revenue from Saskatchewan Health – General Revenue Fund was originally budgeted at $411.4M versus an actual figure of $429.1M or an increase of $17.7M. The increase in revenues was primarily due to collective bargaining settlements reached with the Saskatchewan Union of Nurses, Health Sciences Association of Saskatchewan, and physician groups. The proceeds from these settlements were directed to salary and medical remuneration budgets.

Operating expenses for the year totaled $471.2M, an increase of $28.9M (6.5 per cent) over the previous year. The increase in expenditures was used to fund increases related to collective bargaining agreements, annualization of 2001/02 costs and for inflation for non-salary items (i.e., medical and surgical supplies and lab supplies).

The following expense chart illustrates the significant impact that salaries and, hence, collective agreement settlements, have on our budget. The salaries portion and grants, which primarily represent salaries, make up 78 per cent of our budget. Only two years are shown for comparative purposes as the Region was just formed August 1, 2002.

Expense Components



In 2002/03, the operating revenue from Saskatchewan Health accounted for 91 per cent of our revenues. The remaining 9 per cent of revenue is derived from sources such as: Long Term Care fees, out of province charges and third party reimbursement, parking income and food services.

Capital

Adequate funding for equipment continues to be a significant challenge in the Region. Annual requirements are estimated to be in the $18-20M range. Over the past three years, approximately $30.7M has been spent on equipment or an average of $10.2M per year. We will continue to work with Saskatchewan Health to identify equipment and capital requirements. We also acknowledge the contributions of the Hospitals of Regina Foundation and Community Trust Funds towards the acquisition of equipment.

Debt

The RQHR has an unsecured line of credit limit of $31M approved by the Minister of Health in 1999. Interest on the outstanding balance is charged at the bank's prime rate. There is a strong commitment to begin to reduce the line of credit. This can only be achieved by planning for surpluses within the operating budget and redirecting funds towards the line of credit.

Long Term Debt and Mortgages Consist of the Following:	
Mortgages on Long Term Care Facilities	$5.3M
Mortgages on Medical Office Wing – Regina General Hospital	+ 3.6
	8.9
Less current portion	– .5
Total	**$8.4M**

The Medical Office Wing houses physician offices. The rent from these offices finances the mortgage payments on the Wing.

Financial Statements For the Year Ended March 31, 2003

REGINA QU'APPELLE HEALTH REGION
REPORT OF MANAGEMENT

The accompanying financial statements are the responsibility of management and have been approved in principle by the Authority. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and the Financial Reporting Guidelines issued by Saskatchewan Health, and of necessity include some amounts that are based on estimates and judgements. The financial information presented in the Management's Discussion and Analysis and elsewhere in this report is consistent with that in the financial statements.

Management maintains appropriate systems of internal control, including policies and procedures which provide reasonable assurance that the Region's assets are safeguarded and that financial records are relevant and reliable.

The Authority Members carry out their responsibility for the financial statements through the Resource Accountability Committee. This Committee meets with Management to discuss and review financial matters. The Provincial Auditors has full and open access to the Resource Accountability Committee.

The Provincial Auditor conducts an independent audit of the financial statements. His examination is conducted in accordance with Canadian generally accepted auditing standards and includes tests and other procedures which allows him to report on the fairness of the financial statements.

Dwight Nelson
President and CEO

Carol Klassen
Vice President Corporate Services

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
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SASKATCHEWAN

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of Regina Qu'appelle Regional Health Authority as at March 31, 2003 and the statements of operations and changes in fund balances and cash flows for the year then ended. The Authority's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
May 16, 2003

Fred Wendel, CMA, CA
Provincial Auditor

Statement 1

STATEMENT OF FINANCIAL POSITION

As at March 31

	Operating Fund	Restricted Funds: Capital Fund	Restricted Funds: Community Trust Fund	Total 2003	Total 2002 (Note 19)
ASSETS					
CURRENT ASSETS					
Cash & short term investments (Schedule 2)	$ 3,226,577	$ 806,782	$ 3,210,416	$ 7,243,775	$ 4,936,443
Accounts receivable					
Saskatchewan Health - General Revenue Fund	4,626,147	326,000	–	4,952,147	5,792,273
Other	7,620,653	543,943	213,689	8,378,285	8,038,373
Due from Trust Fund	208,607	–	–	208,607	328,824
Inventory (Note 2(g))	3,124,067	–	–	3,124,067	4,228,535
Prepaid expenses	1,238,871	–	–	1,238,871	1,977,213
	20,044,922	1,676,725	3,424,105	25,145,752	25,301,661
Investments (Note 2(h) & Schedule 2)	1,432,463	–	1,927,008	3,359,471	4,886,605
Due from local governments (Note 5)	–	378,067	–	378,067	437,115
Capital assets (Notes 2(f) and 3)	–	293,602,884	–	293,602,884	302,137,407
TOTAL ASSETS	$ 21,477,385	$ 295,657,676	$ 5,351,113	$ 322,486,174	$ 332,762,788
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES					
Bank overdraft (Note 4)	$ 14,305,741	$ –	$ –	$ 14,305,741	$ 17,361,350
Accounts payable					
Other	16,556,737	2,770,071	–	19,326,808	21,062,983
Due to Operating Fund	–	–	208,607	208,607	328,824
Accrued salaries	12,162,081	–	–	12,162,081	10,914,017
Long term debt & mortgages – current (Note 5)	–	543,483	–	543,483	1,553,421
Deferred revenue (Note 6)	6,291,375	8,813	–	6,300,188	6,396,979
Accrued vacation pay	25,647,294	–	–	25,647,294	22,774,928
	74,963,228	3,322,367	208,607	78,494,202	80,392,502
Long term accounts payable (Note 16)	–	8,827,825	–	8,827,825	8,827,825
Long term debt & mortgages (Note 5)	–	8,387,763	–	8,387,763	8,913,440
TOTAL LIABILITIES	74,963,228	20,537,955	208,607	95,709,790	98,133,767
FUND BALANCES					
Invested in capital assets	–	273,073,742	–	273,073,742	277,768,500
Externally restricted (Note 2(d)iii & Schedule 3)	–	426,508	5,142,506	5,569,014	5,460,088
Internally restricted (Note 18 & Schedule 4)	–	806,782	–	806,782	752,553
Unrestricted (Note 19)	(53,485,843)	812,689	–	(52,673,154)	(49,352,120)
TOTAL FUND BALANCES	(53,485,843)	275,119,721	5,142,506	226,776,384	234,629,021
TOTAL LIABILITIES & FUND BALANCES	$ 21,477,385	$ 295,657,676	$ 5,351,113	$ 322,486,174	$ 332,762,788

See accompanying notes to the Financial Statements

Statement 2

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

For the year ended March 31

	Operating Fund			Restricted Funds	
	Budget 2003	2003	2002	Total 2003	Total 2002
	(Note 14)		(Note 19)	(Schedule 5)	(Note 19)
REVENUES					
Saskatchewan Health - General Revenue Fund	$ 411,447,123	$ 429,076,276	$ 395,939,466	$ 4,841,658	$ 9,503,458
Other Provincial Revenue	1,724,257	1,531,069	49,588	-	6,892
Long-term resident and respite income	7,385,641	7,414,163	7,439,889	-	-
Home based service - client fees	983,800	951,843	1,027,078	-	-
Emergency response service fees	2,646,500	3,372,680	3,154,479	-	-
CMHC mortgage subsidies	99,997	-	104,640	189,087	45,782
Federal Funding	-	-	-	-	-
Out of Province charges & third party reimbursements	15,234,999	15,534,597	13,461,591	-	-
Donations	-	638,680	161,803	2,985,135	3,722,633
Investment income	293,400	262,182	255,147	242,437	306,322
Ancillary operations - income	2,991,402	3,440,712	2,942,921	-	-
Research Grants	-	-	387,917	-	-
Other	11,117,421	11,079,404	10,892,534	110,082	452,204
Total Revenue	453,924,540	473,301,606	435,817,053	8,368,399	14,037,291
EXPENSES					
Acute services	$ 250,229,956	$ 256,962,623	$ 243,303,833	15,210,388	14,364,473
Specialized hospital programs	22,960,896	24,739,663	20,766,024	-	
Supportive care services	42,768,746	49,590,237	45,859,736	903,104	1,095,456
Grants to affiliates					
Acute services	1,770,000	1,775,472	1,630,045	-	-
Supportive care services	44,109,878	42,000,971	42,845,658	58,231	34,432
Home based services	17,452,660	19,174,085	17,859,244	19,821	38,829
Health improvement initiatives	3,012,543	2,768,433	2,649,291	3,945	4,891
Health & wellness centres	994,541	2,200,660	887,230	348,652	43,956
Community care initiatives	673,485	595,081	592,181	3,945	-
Emergency response services	6,107,455	6,916,632	6,111,404	165,948	222,889
Addictions services	3,204,325	3,207,921	3,079,807	3,945	5,881
Community health services	13,374,518	15,640,125	13,435,323	122,286	144,153
Mental health services	16,338,065	16,920,269	16,266,956	3,945	4,240
Rehabilitation services	26,950,160	27,526,542	25,495,528	1,489,257	1,871,544
Ancillary operations - expenses	977,312	1,150,458	1,482,893	-	-
Total expenses (Schedule 1)	450,924,540	471,189,172	442,265,153	18,333,469	17,830,744
(Deficiency) excess of revenues over expenses before the following	$ 3,000,000	2,112,434	(6,448,100)	(9,965,070)	(3,793,453)
Workers' Compensation Board termination of Joint Operating Agreement (Note 16)		-	-	-	(8,827,825)
(Deficiency) of revenues over expenses		2,112,434	(6,448,100)	(9,965,070)	(12,621,278)
Fund balances, beginning of year (Note 19)		(49,275,961)	(42,297,840)	283,904,981	295,996,238
Interfund transfers (Note 18)		(6,322,316)	(530,021)	6,322,316	530,021
Fund balances, end of year		$ (53,485,843)	$ (49,275,961)	$ 280,262,227	$ 283,904,981

See accompanying notes to the Financial Statements

Statement 3

STATEMENT OF CASH FLOWS

For the year ended March 31, 2003

	Operating Fund	Capital Fund	Community Trust Fund	Total 2003	Total 2002
		Schedule 3			Note 19
Cash provided by (used in):					
Excess (Deficiency) of revenues over expenditures	$ 2,112,434	$ (10,418,495)	$ 453,425	$ (7,852,636)	$ (10,241,553)
Amortization	-	17,892,700	-	17,892,700	17,550,431
Net change in non-working capital					
(Increase) decrease in accounts receivable	841,875	(222,218)	775	620,432	(1,465,509)
(Increase) decrease in inventory	1,104,467	-	-	1,104,467	47,539
(Increase) decrease in prepaid expenses	738,342	-	-	738,342	1,018,605
(Increase) decrease in capital assets	-	15,586	-	15,586	-
Increase (decrease) in accounts payable	567,975	(2,304,150)	(120,217)	(1,856,392)	6,011,586
Increase (decrease) in salaries & vacation payable	4,120,430	-	-	4,120,430	5,492,837
Increase (decrease) in deferred revenue	(103,974)	7,183	-	(96,791)	1,525,640
	9,381,549	4,970,606	333,983	14,686,138	19,939,576
Purchase of capital assets	-	(9,373,764)	-	(9,373,764)	(18,011,655)
Net disposal (purchase) of investments	(182,518)	59,048	1,709,652	1,586,182	251,562
Debt repayment	-	(1,535,615)	-	(1,535,615)	(1,783,203)
Net increase (decrease) in cash & investments	9,199,031	(5,879,725)	2,043,635	5,362,941	396,280
Cash & cash equivalents, beginning of year	(13,955,879)	-	1,530,972	(12,424,907)	(9,163,226)
Restatement of fund balances (Note 19)	(4,209,882)	4,209,882	-	-	-
Interfund transfers (Note 18)	(2,112,434)	2,476,625	(364,191)	-	-
Cash & cash equivalents, end of year	$ (11,079,164)	$ 806,782	$ 3,210,416	$ (7,061,966)	$ (8,766,946)
Cash and cash equivalents					
Cash and short term investments	3,226,577	806,782	3,210,416	7,243,775	8,594,404
Bank overdraft	(14,305,741)	-	-	(14,305,741)	(17,361,350)
	$ (11,079,164)	$ 806,782	$ 3,210,416	$ (7,061,966)	$ (8,766,946)

See accompanying notes to the Financial Statements

Schedule 1

SCHEDULE OF EXPENSES

For the year ended March 31

	2003	2002
Operating		
Ambulance Service Grants	$ 1,437,244	$ 1,263,501
Ancillary	1,150,458	1,482,893
Benefits	40,513,566	37,596,627
Professional Fees	2,078,372	1,502,257
Diagnostic Imaging Supplies	1,436,245	1,441,232
Drugs	9,197,152	8,278,697
Food	4,349,406	4,884,287
Grants to Third Parties	49,635,810	48,438,560
Housekeeping & Laundry Supplies	2,059,441	2,097,556
Information Technology Contracts & Licenses	167,615	159,414
Insurance	672,404	748,334
Interest Expense	842,710	1,159,690
Laboratory Supplies	4,611,948	4,071,099
Medical & Surgical Supplies	21,204,490	19,310,638
Medical Remuneration & Benefits	34,172,749	30,383,685
Office Supplies & Other Office Costs	2,171,591	2,090,119
Other	8,584,315	8,102,017
Prosthetics	8,887,597	8,895,400
Purchase Service	6,203,241	7,094,593
Rent/Lease	2,855,403	2,469,403
Repairs & Maintenance	8,392,709	8,798,691
Salaries	245,488,428	229,159,044
Telephone	1,664,864	2,047,056
Travel Expense	3,241,681	3,295,356
Utilities	7,767,733	7,494,998
Total Operating	$ 471,189,172	$ 442,265,153
Restricted		
Amortization	$ 17,892,700	$ 17,550,431
Loss on Disposal of Fixed Assets	–	–
Other	440,769	280,313
	$ 18,333,469	$ 17,830,744

Schedule 2

SCHEDULE OF INVESTMENTS

For the year ending March 31, 2003

	Amount	Maturity	Effective Rate	Coupon Rate
Restricted				
Cash and Short Term				
Chequing and Savings				
Moosomin Credit Union	$ 2,558			
Royal Balcarres	818,376			
RBC Cash	135			
CIBC Wood Gundy Cash	44			
	$ 821,113			
Investments				
Province of Nova Scotia	493,350	02/06/2003	5.90%	5.25%
Province of Nova Scotia	245,625	02/06/2003	5.70%	5.25%
Province of Nova Scotia	392,000	02/06/2003	5.30%	5.25%
CMHC	123,324	02/06/2003	5.80%	5.10%
CMHC bought Sept 19, 2000	29,502	02/06/2003	5.80%	5.10%
CMHC bought Nov 1, 2000	254,804	02/06/2003	5.80%	5.10%
Saskatchewan Savings Bonds	22,046	15/07/2003	5.00%	
Export Development Corporation	500,000	01/09/2003	2.77%	
Province of Nova Scotia	388,986	01/12/2003	5.20%	5.10%
Alta Treasury Board	165,931	10/12/2003	4.70%	4.60%
Int - Ont Prov - bought Apr 9, 2001	10,470	08/03/2004	4.79%	
Int - Ont Prov - bought June 12, 2001	14,003	08/03/2004	4.99%	
REN Money Market	552,950			
REN Canadian T-Bill	3,094			
	$ 3,196,085			
Long Term Investments				
CHMC	595,210	01/06/2004	5.24%	5.00%
CHMC - bought Feb 9, 2001	133,451	01/06/2004	5.13%	5.00%
Province of British Columbia	27,681	21/06/2004		
Farm Credit Corporation	90,315	15/12/2004	3.34%	3.50%
Int - Canada	136,385	01/06/2005	5.22%	
AB Municipal Finance Corporation	309,392	01/06/2005	4.11%	4.60%
Saskatchewan Savings Bonds	182,900	15/07/2005	5.75%	
Prin - Ont Prov	297,200	01/12/2005	5.39%	
Int - Ont Prov	143,774	02/12/2005	5.40%	
Saskatchewan Savings Bonds	10,700	15/07/2007	3.00%	
	$ 1,927,006			
Total Restricted Investments	$ 5,944,206			

Schedule of Investments - continued

	Amount	Maturity	Effective Rate	Coupon Rate
Unrestricted				
Cash and Short Term				
Chequing and Savings				
Cash on Hand	$ 201,127			
Petty Cash	49,581			
Bank of Montreal - Regina	56,887			
CIBC - Regina	331,101			
Cornerstone Credit Union - Lestock	1,532			
Moosomin Credit Union	548			
Plainsview Credit Union	4,758			
RBC Cash	934			
Royal Bank - Balcarres	249,219			
Royal Bank - Grenfell	8,566			
Royal Bank - Moosomin	72,416			
Royal Bank - Regina	48,269			
TD Canada Trust - Grenfell	583,621			
	$ 1,608,559			
Investments				
Res - Ontario Hydro	160,663	14/05/2003	7.08%	
Government of Canada	169,000	01/06/2003	5.75%	
Province of Saskatchewan	80,800	15/06/2003	5.00%	
Moosomin Credit Union	46,342	09/09/2003	1.75%	
Res - British Columbia Hydro	570,388	15/01/2004	7.85%	
Res - Ontario Hydro	590,805	29/01/2004	8.12%	
	$ 1,618,018			
Long Term Investments				
Saskatchewan Savings Bonds Series 8	100,000	15/07/2004	5.00%	
Canada Savings Bonds S47 R	5,000	01/11/2004	2.00%	
Canada Savings Bonds S47 C	15,000	01/11/2004	2.00%	
Province of Alberta	25,000	01/12/2004	5.75%	
Farm Credit Corporation	187,000	15/03/2005		
Saskatchewan Savings Bonds Series 9	452,200	15/07/2005	5.75%	
Farm Credit Corporation	170,000	15/08/2005	4.50%	
Canada Savings Bonds S48 C	1,300	01/11/2005	2.00%	
Province of Nova Scotia	331,000	15/03/2006	5.50%	
Saskatchewan Savings Bonds Series 10	101,500	15/07/2006	4.25%	
Saskatchewan Savings Bonds Series 11	39,100	15/07/2007	3.25%	
Unamortized bond premium	5,363			
	$ 1,432,463			
Total Unrestricted Investments	4,659,040			
Total Investments	$ 10,603,246			
Cash & short term investments	7,243,775			
Investments	3,359,471			
	$ 10,603,246			

Schedule 3

SCHEDULE OF EXTERNALLY RESTRICTED FUNDS

For the year ended March 31, 2003

	Balance Beginning of Year	Investment & Other Revenue	Donations	Expenses	Transfer to investment in capital asset	Balance end of Year
Capital Fund						
Balcarres Integrated Care Centre	$ 12,776	$ 724	$ 55,269	$ 4,906	$ 25,088	$ 38,775
Echo Lodge	38,222	959	16,726	750	14,317	40,840
Home Care	2,866	76	760	–	–	3,702
Saskatchewan Health Construction	326,000	–	–	–	–	326,000
Silver Heights	11,733	147	23,470	5,636	20,052	9,662
St. Joseph's Integrated Care Centre	15,219	264	6,702	1,976	12,680	7,529
	406,816	2,170	102,927	13,268	72,137	426,508
Community Trust Fund						
Balcarres Integrated Care Centre	71,075	1,497	17,662	2,500	7,108	80,626
Broadview & District Centennial Lodge	275,105	21,182	16,340	924	31,715	279,988
Broadview Union Hospital	464,886	24,681	1,090	–	40,145	450,512
District Office	1,280	–	–	–	–	1,280
Eastern Saskatchewan Pioneer Lodge	66,838	–	65,021	15,519	32,332	84,008
Golden Prairie Home	434,899	21,785	41,075	7,441	41,526	448,792
Grenfell Area	519,592	22,457	2,895	300	1,000	543,644
Home Care	7,363	–	823	2,341	–	5,845
Indian Head Union Hospital	44,363	4,783	9,271	2,783	6,724	48,910
Lakeside Home	52,272	–	1,450	2,075	35,663	15,984
Montmartre Health Centre	90,984	5,422	–	–	–	96,406
Moosomin Union Hospital	2,270,773	105,805	93,778	7,390	82,544	2,380,422
St. Joseph's Integrated Care Centre	232,911	12,154	–	12,528	35,925	196,612
Whitewood Community Health Centre	85,085	2,374	11,044	–	2,971	95,532
Wolseley Memorial Union Hospital	435,846	18,127	8,643	2,133	46,538	413,945
	5,053,272	240,267	269,092	55,934	364,191	5,142,506
Total Externally Restricted Funds	$ 5,460,088	$ 242,437	$ 372,019	$ 69,202	$ 436,328	$ 5,569,014

Schedule 4

SCHEDULE OF INTERNALLY RESTRICTED FUND BALANCES

For the year ended March 31, 2003

	Balance Beginning of Year	Investment Income Allocation	Annual CHMC Allocation	Expense	Investment in Capital	Balance end of Year
Balcarres Integrated Care Centre	$ 208,099	$ 4,856	$ 10,600	$ -	$ -	$223,755
Broadview & District Centennial Lodge	5,311	-	9,405	-	3,813	10,903
Eastern Saskatchewan Pioneer Lodge	10,673	-	19,550	-	5,255	24,968
Echo Lodge	21,801	328	10,180	-	8,072	24,237
Golden Prairie Home	100,925	4,000	8,503	-	618	112,810
Grenfell Pioneer Home	336,533	14,700	12,840	-	5,700	358,373
Silver Heights	55,879	1,181	7,750	-	5,466	59,344
TQHD Professional Recruitment	18,029	-	-	18,029	-	-
Whitewood Community Health Centre	(4,697)	-	7,700	-	10,611	(7,608)
	$ 752,553	$ 25,065	$ 86,728	$ 18,029	$ 39,535	$ 806,782

The RHA is required to maintain certain replacement reserves as a condition of receiving a subsidized mortgage or a mortgage interest subsidy from the Canada Mortgage and Saskatchewan Housing Corporation.

The above schedule shows the changes in these reserve balances during the year.

Schedule 5

SCHEDULE OF RESTRICTED FUND BALANCES

For the year ended March 31

	Capital Fund 2003	Community Trust Fund 2003 (Schedule 3)	Total 2003	Total 2002 (Note 19)
REVENUES				
Saskatchewan Health - General Revenue Fund	$ 4,841,658	$ -	$ 4,841,658	$ 9,510,350
Other Provincial Revenue	-	-	-	-
Long-term resident and respite income	-	-	-	-
Home based service - client fees	-	-	-	-
Emergency response service fees	-	-	-	-
CMHC mortgage subsidies	189,087	-	189,087	45,782
Federal Funding	-	-	-	-
Out of Province charges & third party reimbursements	-	-	-	-
Donations	2,716,043	269,092	2,985,135	3,722,633
Investment income	2,170	240,267	242,437	306,322
Ancillary operations - income	-	-	-	-
Research Grants	-	-	-	-
Other	110,082	-	110,082	452,204
Total revenues	7,859,040	509,359	8,368,399	14,037,291
EXPENSES				
Acute services	15,196,082	12,306	15,210,388	14,364,473
Specialized hospital programs	-	-	-	-
Supportive care services	861,817	41,287	903,104	1,095,456
Grants to affiliates	-	-	-	-
Acute services	-	-	-	-
Supportive care services	58,231	-	58,231	34,432
Home based services	17,480	2,341	19,821	38,829
Health improvement initiatives	3,945	-	3,945	4,891
Health & wellness centres	348,652	-	348,652	43,956
Community care initiatives	3,945	-	3,945	-
Emergency response services	165,948	-	165,948	222,889
Addictions services	3,945	-	3,945	5,881
Community health services	122,288	-	122,288	144,153
Mental health services	3,945	-	3,945	4,240
Rehabilitation services	1,489,257	-	1,489,257	1,871,544
Total expenses (Schedule 1)	18,277,535	55,934	18,333,469	17,830,744
(Deficiency) excess of revenues over expenses before the following	(10,418,495)	453,425	(9,965,070)	(3,793,453)
Workers' Compensation Board termination of Joint Operating Agreement (Note 16)	-	-	-	(8,827,825)
(Deficiency) excess of revenues over expenses	(10,418,495)	453,425	(9,965,070)	(12,621,278)
Fund balances, beginning of year	278,851,709	5,053,272	283,904,981	295,996,238
Interfund transfers (Note 18)	6,686,507	(364,191)	6,322,316	530,021
Fund balances, end of year	$ 275,119,721	$ 5,142,506	$ 280,262,227	$ 283,904,981

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2003

1. Legislative Authority

On August 1, 2002 the Legislative Assembly passed *The Regional Health Services Act* (the Act). This Act created what is now the Regina Qu'Appelle Regional Health Authority (RHA). The Authority is responsible for planning, coordinating and providing health services within the geographic area known as the Regina Qu'Appelle Health Region.

Upon coming into force, the Act terminated the memberships of the individual District Health Boards. All assets, liabilities, rights, and obligations of the District Health Boards continue as the assets, liabilities, rights and obligations of the Regional Health Authority. All contracts with the District Health Boards remain in effect until repealed or replaced by the Regional Health Authority.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies.

a) Amalgamation of former District Health Boards

The three former District Health Boards, Pipestone District Health Board, Regina District Health Board and Touchwood Qu'Appelle District Health Board, have been amalgamated in these financial statements using the continuity of interests method. All assets, liabilities, revenues and expenses have been combined in both the 2002 and 2003 fiscal years.

b) Foundation

The Hospitals of Regina Foundation is incorporated under *The Non-Profit Corporations Act* and is a registered charity under *The Income Tax Act*.

Under the Foundation's Articles of Incorporation, all funds raised by the Foundation after payments of reasonable expenses must be paid to the Region. Consequently, control of the Foundation's activities by virtue of economic interest exists.

These financial statements do not include the financial activities of the Foundation. Alternatively, Note 10 describes the financial position and results of operations of the Foundation.

c) Affiliates

The RHA has also entered into affiliation agreements with and provides funding to certain healthcare organizations to provide health services.

These financial statements do not include the financial activities of the affiliates. Alternatively, Note 12 describes the financial position and results of operations of the affiliates.

d) Fund Accounting

The accounts of the RHA are maintained in accordance with the principles of restricted fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

i) Operating Fund

The operating fund reflects the primary operations of the RHA including revenues received for provision of health services from Saskatchewan Health - General Revenue Fund and billings to patients, clients, the federal government and other agencies for patient and client services. Other revenue consists of donations, recoveries and ancillary revenue. Expenses are for the delivery of health services.

ii) Capital Fund

The capital fund is a restricted fund that reflects the equity of the RHA in capital assets after taking into consideration any associated long-term debt. The capital fund includes revenues received from Saskatchewan Health - General Revenue Fund designated for the construction of capital projects and the acquisition of capital assets. The capital fund also includes donations designated for capital purposes by the contributor. Expenses consist primarily of amortization of capital assets.

iii) Community Trust Fund

The community trust fund is a restricted fund that reflects community generated assets transferred to the RHA in accordance with the pre-amalgamation agreements signed with the amalgamating health corporations. The assets include cash and investments initially accumulated by the health corporations in the RHA from donations or municipal tax levies. These assets are accounted for separately and use of the assets is subject to restrictions set out in pre-amalgamation agreements between the RHA and the health corporation.

e) Revenue

Unrestricted contributions are recognized as revenue in the Operating Fund in the year in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

f) Capital Assets

Capital assets are recorded at cost. Normal maintenance and repairs are expensed as incurred. Capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	-	2 1/2% to 6 2/3%
Leasehold improvements	-	2 1/2% to 20%
Equipment	-	5% to 30%

Donated capital assets are recorded at their fair value at the date of contribution.

g) Inventory

Inventories consist of general stores, pharmacy, and linen. All inventories are valued at cost. Cost of general stores and linen inventory is determined on a weighted average basis. Pharmacy inventory cost is determined on the first in, first out basis.

h) Investments

Investments are valued at the lower of cost and net realizable value.

i) Pension

Employees of the RHA participate in several multi-employer defined benefit pension plans or a defined contribution plan. The RHA follows defined contribution plan accounting for its participation in the plans. Accordingly the RHA expenses all contributions it is required to make in the year.

3. Capital Assets

	2003			2002		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Land	4,203,602	-	4,203,602	4,103,822	-	4,103,822
Buildings	352,522,614	108,885,331	243,637,283	352,431,492	100,089,840	252,341,652
Land & Leasehold Improvements	3,629,339	2,387,608	1,241,731	3,622,231	2,269,177	1,353,054
Equipment	172,827,132	128,424,439	44,402,693	163,712,174	119,461,245	44,250,929
Construction in Progress	117,575	-	117,575	87,950	-	87,950
	533,300,262	239,697,378	293,602,884	523,957,669	221,820,262	302,137,407

The total for buildings includes costs for regenerated structures on leased premises. The RHA leases most of the land and buildings from the Saskatchewan Property Management Corporation under a long-term lease for a nominal rent of $1 per year.

4. Bank Overdraft

The RHA has an unsecured line-of-credit limit of $31 million approved by the Minister of Health in 1999. Interest on the outstanding balance is charged at the bank's prime rate.

5. Mortgages and Loans Payable

	Interest Rate	Repayment Terms	CMHC Subsidy	2003	2002
Whitewood Community Health Centre					
CMHC Due December 2003	5.432%	$101,918 principal & interest	34,890	1,119,818	1,160,379
Eastern Saskatchewan Pioneer Lodge					
CMHC Due October 2017	5.875%	$10,814 principal & interest		106,225	110,730
CMHC Due October 2024	8.000%	$10,131 principal & interest		105,050	106,836
Grenfell & District Pioneer Home					
CMHC Due September 2004	5.125%	$2,671 principal & interest		3,848	6,257
Golden Prairie Home					
CMHC Due December 2003	5.432%	$62,421 principal & interest	21,788	715,026	738,347
CMHC Due May 2024	7.625%	$18,687 principal & interest		197,868	201,551
Broadview & District Centennial Lodge					
CMHC Due August 2006	5.900%	$147,674 principal & interest	43,319	644,612	751,291
Silver Heights Special Care Home					
CMHC Due March 2013	5.380%	$52,066 principal & interest	17,784	684,223	696,350
Parkland Lodge					
CMHC Due April 2015	8.000%	$17,221 principal & interest		134,030	140,427
Echo Lodge					
CMHC Due September 2012	5.520%	$59,302 principal & interest	21,321	707,405	727,284
CMHC Due January 2023	7.500%	$3,243 principal & interest		33,712	34,436
CMHC Due January 2018	5.875%	$10,688 principal & interest		106,140	110,527
Medical Office Building					
Bank of Montreal - demand loan	5.000%	$373,287 principal & interest		3,591,329	3,802,173
Diagnostic Equipment					
Bank of Montreal - Due September 2002	4.500%	$1,013,428 principal & interest		0	992,078
Local Governments					
Pacific & Western - Due September 2008	6.560%	$69,364 to 87,866 principal & interest		378,067	437,115
Touchwood Qu'Appelle District Health Centre					
Pacific & Western - Due November 2009	6.627%	$75,070 principal & interest		403,893	451,060
				8,931,246	10,466,861
		Less: Current portion		543,483	1,553,421
				$ 8,387,763	$ 8,913,440

For each of the mortgages, the RHA has pledged the related buildings of the special care homes as security. Security for the loans was given in the form of promissory notes, general security agreements, assignments of fire insurance and board resolutions.

The RHA assumed responsibility for a loan agreement with Pacific and Western Trust, which was made on behalf of local governments that committed funds for the construction of the Balcarres Integrated Care Centre. The local governments provided signed agreements for the annual payment of their portion of the loan.

The Medical Office Building demand loan was to finance the construction of the Medical Office Building. This project is considered to be self financing over a 20 year period and the loan is secured through assignment of rent receipts. Interest is at bank prime. There is a remaining sixteen-year amortization on this loan.

Principal repayments required in each of the next five years are estimated as follows:

2003-2004	543,483
2004-2005	573,657
2005-2006	605,892
2006-2007	641,192
2007-2008	678,232
2008 and subsequent	5,888,790

6. Deferred Revenue

		Sask Health Funding		Other Sources		
	2002 Balance	Less Amount Recognized	Add Amount Received	Less Amount Recognized	Add Amount Received	2003 Balance
Approved Home Program	$ 16,993	$ 34,115	$ 35,000	$ -	$ -	$ 17,878
Bone Density Testing Program	83,908	83,908	-	-	-	-
Early Childhood Development	30,000	-	-	-	-	30,000
Emergency Services	44,586	44,586	-	-	-	-
EMS Compensation Parity	118,167	118,167	-	-	-	-
Endovascular Grafts	166,000	33,200	-	-	-	132,800
Health Improvement Initiatives	177,073	28,047	41,158	-	-	190,184
High Risk Youth	205,296	354,930	295,000	-	-	145,366
Integrated Methadone Program	25,169	80,169	55,000	-	-	-
Lab Results Reporting	175,000	175,000	-	-	-	-
Medical Remuneration - Radiology	-	-	321,200	-	-	321,200
Medical Remuneration - Pressures	-	-	800,000	-	-	800,000
Medical Remuneration - SMA Agreement	861,466	457,425	517,411	-	-	921,452
Nursing Standards Council	150,000	10,206	-	-	-	139,794
Podiatry Diabetes	43,075	-	-	-	-	43,075
Primary Diabetes Prevention	16,693	45,555	30,000	-	-	1,138
Primary Health Care Initiatives	-	40,475	116,900	-	-	76,425
Primary Health Services - Four Directions	24,876	98,711	90,000	-	-	16,165
Primary Health Services Site	2,944	1,880	-	-	-	1,064
Provincial Diabetes Plan	-	19,905	60,000	-	-	40,095
Provincial Integrated Renal Prog	85,000	85,000	-	-	-	-
Renal Management	320,659	87,458	-	-	-	233,201
Research Project Nurses' Turnover	-	-	50,000	-	-	50,000
RHAPC Start-up Grant	90,000	90,000	-	-	-	-
Rural Health Initiatives	162,890	496,223	333,333	-	-	-
Sask Health Vaccine Payable	198,750	198,750	-	-	-	-
Successful Mothers	10,996	42,996	32,000	-	-	-
Surgical Wait List	-	-	77,149	-	-	77,149
Visudyne Therapy	222,550	222,550	-	-	-	-
Workplace Wellness	646,804	767,713	315,395	-	-	194,486
Acquired Brain Injury Program	203,606	-	-	557,104	556,973	203,475
Education Funds	66,505	-	-	71,607	102,338	97,236
Kids First	8,520	-	-	1,531,069	2,059,912	537,363
Medical Earnings Pool	585,104	-	-	40,793	75,455	619,766
Research Grants	459,641	-	-	568,968	886,911	777,584
Other	1,194,708	-	-	1,051,258	489,842	633,292
Total	$ 6,396,979	$ 3,616,969	$ 3,169,546	$ 3,820,799	$ 4,171,431	$ 6,300,188

Restricted funding related to general operations from Saskatchewan Health - General Revenue Fund is recorded as revenue when the related costs are incurred.

7. Commitments

Minimum annual rentals under operating leases on oroperty and equipment over the next five years are as follows:

2003-2004	$ 746,507
2004-2005	$ 620,394
2005-2006	$ 483,095
2006-2007	$ 290,280
2007-2008	$ 323,214

8. Contingent Liability

As at March 31, 2003 there was a contingent liability of $3.1 M related to collective agreements negotiated between Saskatchewan Union of Nurses (S.U.N.) and Saskatchewan Association of Health Organizations (S.A.H.O.) and Health Sciences Association of Saskatchewan (H.S.A.S.) and S.A.H.O. whereby:

1. All new S.U.N. hirings after 1999 at the Regina General Hospital are now enrolled in the S.A.H.O. Pension and the S.A.H.O. Long Term Disability Plan.

   Previous to the negotiated collective agreement, these S.U.N. employees would have been members of the City of Regina Pension Plan and the Long Term Disability Plan.

2. All new H.S.A.S. hirings after 1999 are now enrolled in the S.A.H.O. Pension and the S.A.H.O. Long Term Disability Plan.

   Previous to the negotiated collective agreement, these H.S.A.S. employees would have been members of the City of Regina Pension Plan and the Long Term Disability Plan.

A statement of claim dated January 17, 2003 was filed by the Administrative Board of the Regina Civic Employees Long Term Disability Plan, the Administrative Board of the Regina Civic Employees Superannuation and Benefit Plan and the City of Regina as Plaintiffs against the Regina Qu'Appelle Regional Health Authority, Saskatchewan Association of Health Organizations, Health Sciences Association of Saskatchewan and Saskatchewan Union of Nurses as Defendants.

Discussions are ongoing in an attempt to resolve the issue.

9. Related Party Transactions

These financial statements include transactions with related parties. The RHA is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. The RHA is also related to non-Crown enterprises that the Government jointly controls or significantly influences. In addition, the RHA is related to other non-Government organizations by virtue of its economic interest in these organizations.

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at agreed upon exchange amounts and are settled on normal trade terms.

	2003	2002
Revenues - Patient & Agency Charges		
Saskatchewan Workers' Compensation Board	2,089,494	2,635,196
Saskatchewan Government Insurance	2,765,241	2,370,709
Revenues - Other		
Saskatchewan Cancer Foundation	2,452,335	2,305,153
Saskatchewan Health Information Network	-	370,804
Expenses		
Saskatchewan Association of Health Organizations	17,143,313	15,761,554
Saskatchewan Telecommunications	1,720,430	1,722,444
Saskatchewan Energy	405,719	433,490
Saskatchewan Power Corporation	3,870,390	3,825,597
Saskatchewan Property Management Corporation	1,843,550	1,663,894
Saskatchewan Workers' Compensation Board	4,944,591	4,685,944
Accounts Receivable - Other		
Saskatchewan Workers' Compensation Board	410,229	341,909
Saskatchewan Cancer Foundation	1,406,133	1,839,943
Saskatchewan Health Information Network	-	370,804
Accounts Payable - Other		
Saskatchewan Association of Health Organizations	1,955,277	1,777,198
Saskatchewan Telecommunications	129,166	105,012
Saskatchewan Energy	51,993	-
Saskatchewan Power Corporation	284,641	247,781
Saskatchewan Property Management Corporation	110,883	216,893
Saskatchewan Workers' Compensation Board	1,160,491	1,048,347

Other transactions with related parties and their terms of settlement are described separately in the financial statements.

10. Foundation

Fund-raising efforts are undertaken through a non-profit business corporation known as the Hospitals of Regina Foundation Inc. (the Foundation). During the year, the Foundation provided funding of $2,374,078 (2002 - $3,108,436) for capital and other acquisitions. These amounts are included in the Foundation's expenses.

The Foundation's fiscal year end is December 31. Financial statements for the Foundation as at March 31, 2003, the RHA's fiscal year end, are not available.

Hospitals of Regina Foundation

	December 31, 2002	August 31, 2001
Balance Sheet:		
Total assets	$ 7,944,649	$ 7,028,431
Total liabilities	$ 1,029,662	$ 2,548,119
Total net assets	6,914,987	4,480,312
	$ 7,944,649	$ 7,028,431
Results of Operations:		
Total revenues	$ 7,413,976	$ 5,333,558
Other expenses	1,473,939	1,001,310
	5,940,037	4,332,248
Distributions to qualified donees/beneficiaries	45,985	0
Distributions to Regina Health District	3,459,377	2,471,522
Excess (deficiency) of revenue over expenses	$ 2,434,675	$ 1,860,726
Cash Flows:		
Cash from operations	$ 6,046,158	$ 4,353,040
Distributions to qualified donees/beneficiaries	(45,985)	0
Distributions to Regina Health District	(3,459,377)	(2,471,522)
Cash used in financing and investing activities	(2,535,916)	(1,624,928)
Increase in cash	$ 4,880	$ 256,590

11. Pension

Employees of the RHA participate in one of the following pension plans:

- Saskatchewan Healthcare Employees' Pension Plan (SHEPP), which is jointly governed by a board of eight trustees. Four of the trustees are appointed by the Saskatchewan Association of Health Organizations (SAHO) (a related party) and four of the trustees are appointed by Saskatchewan's health care unions (CUPE, SUN, SEIU, SGEU, RWDSU, and HSAS). SHEPP is a multi-employer defined benefit plan that came into effect December 31, 2002. Prior to December 31, 2002 this plan was the SAHO Retirement Plan and was governed by the SAHO Board of Directors.
- Regina Civic Employees Superannuation and Benefit Plan, which is a defined benefit plan. The City of Regina is responsible for this plan.
- Public Service Superannuation Plan (a related party), which is also a defined benefit plan. This plan is the responsibility of the Province of Saskatchewan.
- Public Employees' Pension Plan (a related party) which is a defined contribution plan. This plan is the responsibility of the Province of Saskatchewan.

The RHA's financial obligation to the plans is limited to making required payments to match amounts contributed by employees for current services. The RHA follows defined contribution plan accounting for its participation in these plans. Accordingly, the RHA expenses all contributions it is required to make in the year.

Pension expense for the year amounted to $11,851,298 (2002 - $10,831,311).

12. Affiliates / Health Care Organizations

The RHA has entered into affiliation agreements with special care homes and health care organizations to provide services. These organizations receive funding from the RHA on a monthly basis in accordance with budget amounts approved annually.

Extendicare (Canada) Inc. received $14,182,126 (2002- $13,621,576) from the RHA to provide service. These financial statements do not include the financial activities of Extendicare (Canada) Inc.

The RHA has affiliation agreements with the following organizations. The affiliates' fiscal year end is March 31. Financial statements for March 31, 2003 are not available.

Payments made to affiliates were:

	2003	2002
The Qu'Appelle Diocesan Housing Company	$ 676,307	$ 653,489
The Regina Lutheran Housing Corporation	2,969,515	2,867,206
Regina Pioneer Village Ltd.	14,456,903	13,911,752
Salvation Army (William Booth)	3,668,308	3,509,495
Santa Maria Senior Citizens Home Inc.	5,203,378	4,987,280
Lumsden & District Heritage Home Inc.	1,312,727	1,240,475
Cupar and District Nursing Home Inc.	1,541,589	1,477,244
Fort Qu'Appelle Indian Hospital	1,775,472	1,917,700

Following is financial information for the affiliates:

	The Qu'Appelle Diocesan Housing Company 2002	The Regina Lutheran Housing Corporation 2002	Regina Pioneer Village Ltd. 2002	Salvation Army (William Booth) 2002	Santa Maria Senior Citizens Home Inc. 2002
Balance Sheet					
Total Assets	1,213,015	4,784,552	8,618,909	4,002,407	8,365,744
Total Liabilities	219,118	2,055,679	4,492,168	2,032,601	4,365,680
Total Net Assets	993,897	2,728,873	4,126,741	1,969,806	4,000,064
	1,213,015	4,784,552	8,618,909	4,002,407	8,365,744
Results of Operations					
Total Revenue	1,185,042	4,279,464	18,630,553	4,447,437	7,067,434
Total Expenses	1,131,234	4,202,108	18,358,337	4,254,528	7,196,021
Excess Revenue over Expenses	53,808	77,356	272,216	192,909	(128,587)
Cash Flows					
Cash from operations	80,359	360,084	234,845	200,218	98,032
Cash used in financing activities	(7,833)	(149,501)	(234,845)	(51,301)	(152,608)
Cash used in investing activities	(76,221)	(245,323)	0	(4,377)	(94,192)
Increase in cash	(3,695)	(34,740)	0	144,540	(148,768)

	Lumsden & District Heritage Home Inc. 2002	Cupar and District Nursing Home Inc 2002	Fort Qu'Appelle Indian Hospital 2002	Total 2002	Total 2001
Balance Sheet					
Total Assets	2,756,804	1,020,924	460,491	31,222,846	30,447,012
Total Liabilities	1,376,525	611,973	625,720	15,779,464	15,759,259
Total Net Assets	1,380,279	408,951	(165,229)	15,443,382	14,687,753
	2,756,804	1,020,924	460,491	31,222,846	30,447,012
Results of Operations					
Total Revenue	1,704,753	2,084,521	2,550,103	41,949,307	40,158,412
Total Expenses	1,668,314	2,080,478	2,447,252	41,338,272	39,436,412
Excess Revenue over Expenses	36,439	4,043	102,851	611,035	722,000
Cash Flows					
Cash from operations	51,356	82,303	7,382	1,114,579	1,631,637
Cash used in financing activities	(32,568)	(5,177)	133,810	(500,023)	(771,072)
Cash used in investing activities	(29,028)	(8,474)	(144,570)	(602,185)	(553,038)
Increase in cash	(10,240)	68,652	(3,378)	12,371	307,527

The following amounts were paid to health care organizations:

	2003	2002
Raymore Community Health & Social Centre	44,000	43,736
Autism Resource Centre Inc.	304,275	294,346
Phoenix Residential Society Inc.	895,950	827,971
Rainbow Youth Centre Inc.	160,103	152,814
Regina Recovery Homes Inc.	1,537,331	1,472,333

13. Patient and Resident Trust Accounts

The RHA administers funds held in trust on behalf of patients and residents utilizing the RHA's facilities. The funds are held in separate trust accounts on behalf of the patients or residents at each facility. The total cash held in trust as at March 31, 2003 was $79,440 (2002 - $94,294). This amount is not reflected in the financial statements.

14. Budget

The former district health boards and the Minister of Health approved the capital and operating budgets, which are included in the RHA's Health Plan.

15. Insurance

The RHA purchases liability insurance from Healthcare Insurance Reciprocal of Canada (the Reciprocal). Under the terms of the Subscribers' Agreement, with respect to a policy period where revenues exceed expenses, any premium surplus may be refunded to the Reciprocal's subscribers on a proportionate basis after the subscriber has been enrolled with the Reciprocal for more than four years. This is the RHA's sixth year in the agreement with the Reciprocal. Similarly, if there is a deficiency of revenues, the Reciprocal may collect such premium deficiency from its Subscribers on a proportionate basis. The Reciprocal maintains a stabilization fund to cover future deficiencies. Also, the Reciprocal is insured for claims in excess of $1 million. There is no premium surplus for the current year and there are no claims reported that are expected to exceed the policy limits.

16. Workers' Compensation Board

On July 16, 2001 the Regina Qu'Appelle Regional Health Authority was served notice by Saskatchewan Workers' Compensation Board of its intent to terminate, without cause, the joint operating agreement between the two parties. The agreement states that three years from the date of notice payment of any outstanding amounts will be due from the Regina Qu'Appelle Regional Health Authority. The amount owing is the depreciated value of the portion of the facility funded by Saskatchewan Workers' Compensation Board.

17. Financial Instruments

a) Significant terms and conditions

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

b) Credit Risk

The RHA is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the RHA's receivables are from the Federal and various Provincial Governments and their agencies and health insurance companies. Therefore, the credit risk is minimal.

c) Fair value

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term nature:
  - cash and short term investments
  - accounts receivable
  - accounts payable
  - accrued salaries and vacation payable
- For investments, the fair value of $8,422,626 (2002 - $8,015,140) is considered to approximate quoted market values.
- The fair value of mortgages payable before the repayment required within one year is $5,229,907 (2002 - $5,346,901) and is determined using a discounted cash flow analysis based on current incremental borrowing rates for similar borrowing arrangements.
- For the bank overdraft and debt, fair value is considered to be their carrying amounts.

18. Interfund Transfers

Each year the RHA transfers amounts between its funds for various purposes. These include funding capital asset purchases, and reassigning fund balances to support certain activities.

	Operating	Capital	Community Trust	Total 2003
Capital asset purchases	(6,210,523)	6,574,714	(364,191)	-
CMHC Reserves	(111,793)	111,793	-	-
Total	(6,322,316)	6,686,507	(364,191)	-

19. Restatement of Prior Year

The prior year's financial statements have been restated to reflect changes in accounting policy. Amounts due to the operating fund from the capital fund with respect to capital purchases were previously reflected in the financial statements as an amount due to the operating fund from the capital fund. The receivable in the operating fund and the corresponding payable in the capital fund has been eliminated.

The opening fund balances have been restated as follows:

	2003	2002
Operating Fund		
Opening balance as previously reported	(43,781,673)	(36,803,552)
Restatement	(5,494,288)	(5,494,288)
As restated	(49,275,961)	(42,297,840)
Capital Fund		
Opening balance as previously reported	273,357,421	285,922,727
Restatement	5,494,288	5,494,288
As restated	278,851,709	291,417,015

Copies of this Annual Report are available from the Public Affairs Department of the Regina Qu'Appelle Health Region.

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